7 . - 2- . .

A ST TO ST.

n - :

# JANCIAI TIMES

THURSDAY JANUARY 7 1999

Already a happy new year for stocks

FTSE 100 ledex

World Business Newspaper http://www.FT.com

Global agriculture Farmers say it's

never been so bad

Page 11



By Philip Coggan in London and John Labate in New York

tors provided the immediate spur

for the gains but there were signs

that institutional investors were

pushing money into blue-chip

stocks, as they often do at the

Just before 2pm in New York,

the Dow Jones Industrial Average crossed the 9,500 level, up 198

points on the day. It was already

in record territory earlier in the

day when it passed 9,400. Enthu-

slasm for semiconductor and

internet shares extended the Nas-

daq composite's record-breaking

run, with the technology-domi-

nated index adding 2.6 per cent

by early afternoon at 2,309,59.

start of the calendar year.

Life on Mars Invasion of robots looking for water Page 19



TRADITIONAL JANUARY LIFT FOR EQUITIES BOOSTED BY TAKEOVER TALK, LOW BOND YIELDS AND PROSPECT OF INTEREST RATE CUTS

Rally in world markets gathers pace

92 29

Trading in euros Whiz-kids do their bit

World economy Will the US consumer boom burst? Samuel Brittan, Page 10

WORLD NEWS

#### Former army chief joins race for Israeli premiership

visimnon Lipkin-Shahak, Israel's former army chief, launched his campaign for the premiership with an attack on prime minister Benjamin Netanyahu and an appeal for Israeli unity. Page 14; Profile, Page 8

Debate rages over Clinton trial US senators were locked in debate over how to organise President Bill Clinton's impeachment trial, which starts today. Right wing Republicans sought to block plans for an accelerated vote. Page 14; Republican nerves grow, Page 5

German parties split on citizenship Germany's opposition parties' attack on government plans to ease citizenship laws stalled as their own ranks split over the issue. Europe, Page 2

Bussels crisis looms European Parliament members are demanding the resignation of two European commissioners as the crisis over the Commission despens. Europe, Page 2

8

in Beta

US heads for healthy surplus The Clinton administration yesterday forecast a higher-thanprojected US federal budget surplus of about \$76bn this fiscal year. America, Page 4

UN rejects stur on impartiality Top United Nations officials defended UN integrity and impartiality after reports that its weapons inspectors in Iraq had been used by US intelligence as cover for spying. International, Page

Siarra Leone rebels reach capital Rebels reached central Freetown, Sierra Leone's capital, capturing the presidential State House. ernational, Page 4

leak economic outlook for China Chinese finance minister Xiang Hualcheng forecast bleak economic prospects for the country and predicted an increased deficit would be needed to spur

growth. Asia, Page 6 LIK police told to leave Aden Two British detectives probing a rescue operation in Yemen in which four western hostages were killed left Aden at the request of Yemeni authorities.

Obuchi orders coalition talks Japan's prime minister, Keizo Obuchi, left for Europe after instructing key members of the ruling Liberal Democratic party to finalise coalition talks with opposition Liberals. Asia, Page 6

Canadian aid reaches Russians Canadian aircraft flew aid to Mukchi Autonomous District in Aussia's far north-east but ice halted a sea cargo of badly needed oil. Russia's economic crisis has created severe shortages in some remote regions.

Tunkey still in political crisis Veteran Turkish politician Bülent Ecevit re-emerged as the country's probable next prime minister after Yalim Erez abandoned his attempt to form a new government. Europe, Page 3

Banks to fund Holocaust list Swiss banks are putting \$4m towards a computerised list of Holocaust victims' names in a bid to match dormant wealth with its rightful owners.

**BUSINESS NEWS** 

#### claims assets of more than \$12bn

Kirch Group, the troubled investors that its assets are worth more than DM20bn (\$12bn) and it has lower debt

Gucci, the Italian fashion group, saw its shares jump 19 per cent to €55.4 when LVMH, the French luxury goods conglomerate, announced it had acquired more than 5 per cent of the company. Page 13; Lex, Page 12

Basin Company, the Dutch maker of business software, saw its shares rise 9.5 per cent as it announced it had received a \$75m cash injection from a US investor group. International companies, Page 14

Italian mobile phone users got a nasty shock when the cost of calling cellular telephones from fixed lines soared by as much as 153 per cent. Europe, Page 3

Airbus industrie has extended its reach into rival Boeing's home territory with a deal to sell 30 single-aisle airliners, valued at \$1.3bn, to Boultioun Aviation Services, a German-owned leasing company based in Washington state. World trade, Page 4

of 44 important industrial parks across the country, including a foreign manufacturers to enter the unpredictable Chinese mar-

Japan's construction sector has moved further into crisis despite the government's injection of thousands of billions of yen in public works projects. Construction orders in public and private sectors fell 21.3 per cent in November in the 11th consecutive month of year-on-year declines. Asia-Pacific, Page 6

for Tier 1 help. Asia-Pacific companies, Page 16

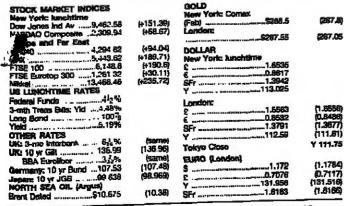
local companies that have bats. World trade, Page 4

The latest trends and data from more than 50 nettorial markets at a glance

World markets stepped up the pace of their new year rally yes-terday with Wall Street heading into record territory in early trading and European bourses surging ahead. Takeover talk in the automo-tive and telecommunications sec-

China threw into doubt the future \$20bn Singaporean flagship project trumpeted by the city-state's leaders as the optimum way for

#### WORLD MARKETS



THE FINANCIAL TIMES LIMITED 1999 No.33,799 London · Leeds · Paris · Frankfurt · Stockholm · Milan · Madrid · New York Chicago · Los Angeles · Tokyo · Hong Kong



Margan Graffell

| Belgium<br>Belgium<br>CIS<br>Croatis<br>Denmark<br>Estonia | Dr:500 | icetati<br>italy<br>Jordan<br>Karasii<br>Latela<br>Lishoonia<br>Latelatoo<br>Lossestoonia | 1,3900 (62,01)<br>3,01,75<br>KWDQ.750<br>1,51,65<br>1,821,00<br>1,823,500 | Peland Portugal Quise South Africa Spein Switzertand Syrin Tunisia | Passzi@19<br>Skr20.0 |
|--|--------|---|---|--|----------------------|
|--|--------|---|---|--|----------------------|

rigition Sales Department, The Financial Times Limbert, let: +44 171 973 4200

### Media group Kirch

German media group seeking a cash injection, has told potential than has been estimated. Page 13

Storebrand, Norway's leading insurer, launched a NKr1.6bn (\$224m) takeover bid for Finansbanken, the country's second largest private bank, in the latest consolidation of the Nordic financial sector. International companies, Page 14

US investment banks topped the European takeover league tables last year, according to preliminary figures. International companies, Page 14

Thai Military Bank and Bangkok Bank confirmed they were seeking Tier 2 capital help from the authorities, but Thai Military Bank denied it had decided to apply

Resbok India is cracking down on flooded bazaars and upmarket shops with counterfeit versions of its sports clothing and cricket

**World Equity Markets** 

By Jim Kelly and Robert Rice in London

fifth largest law firm in the world in the next five years with \$1bn fees and 3,000 lawyers.

New York.

Gérard Nicolay, giobal leader of PwC's legal network, announcing details of a deal to create

It is understood PwC will be looking in the middle-tier of City law firms and may also consider an additional merger with a strong provincial legal network.

seek an associate law firm in New York. "We want to become one of the

top five legal firms in the world Andersen in trying to attract a within the next five years," he City of London law firm.

PwC's move mirrors that of fel- Observer, Page 11 low Big Five accountant Arthur Comment, Page 18

Andersen, which already has a legal network in 31 countries around the world. It acquired PwC, the giant professional J&A Garrigues, Spain's largest services firm, aims to build the law firm, in 1996.

However, in recent months efforts to rival the leading US and UK international law firms have suffered a setback following the collapse of merger talks with Wilde Sapte in London and the closure of its Hong Kong law

The collapse of the merger talks was a blow to its ambitions and raised doubts that any Big Five accountancy firm could build a comprehensive legal network to rival the big US and UKbased international law firms.

There are big disparities in earnings between partners in accountancy firms and lawvers. Business lawyers working in Mr Nicolay said he hoped PwC's associated law firm in London are understood to earn an average £170,000 - compared with £850,000 at Slaughter and Regulatory constraints in the May, the UK's most profitable US meant PwC would probably law firm. Middle-tier earnings are lower and weaker in recession.

Yesterday, lawyers said PwC would face similar problems to

Europe 14, The Americas 17.

CONTENTS

#### Companies & Finance: 13-18

International 5. Asia Pacific 6, Trade 4, UK 7

European News: 2,3

Management/Technology: 19 Comment & Analysis: 10,11

World Stock Markets: 28-34

for Europe's prospects. January has traditionally been

the best month for stock market performance, with the UK market rising by an average 2,5 per cent on the month over the 1919-96 period, according to the Schwartz Stock Market Handbook. One factor behind January's

historical strength is a seasonal inflow of money into investment institutions. This seems to have been heightened this year by the decision of US equity mutual fund managers to reduce the cash levels which they built up when markets were falling in the third largest points rise although respectively. While the recent autumn and to invest the prowave of takeovers means that ceeds in the stock market. The few investors want to be out of fund managers' cash level the equity market, for fear of reached a two-year high of 6.3 per missing the next blg deal, the cent in September, compared early strength of shares in 1999 with the average for the two-year period of 4-4.5 per cent.

also owes much to the lack of Some analysts think the rise in Bond yields are low and there share prices has gone too far, are expectations that interest with investors paying insufficient rates will be cut further in attention to the prospect of index gained 190.6 to 6,148.8, its moved up 5.7 and 6.4 per cent Europe and the US. The success- slower economic and corporate

prompted a wave of enthusiasm Edwards, global strategist at Dresdner Kleinwort Benson, said: "A lot of people think that 10,000 on the Dow is sustainable. With the trailing price-earnings ratio on the US market around 38, we

> els, a deepening profits recession will eventually burt the market." Arthur Hogan, chief market analyst at Jeffries & Co in Boston, said: "This is a completely liquidity-driven marketplace that's diverged from earnings fundamentals.

"January is the time when everyone's sitting on a pile of cash and it will take a huge earnings warning from the likes of General Electric or Microsoft to stop people in their tracks."

are approaching Japanese-style

bubble valuations. At these lev-

Euro as trade tool, Page 2 Samuel Brittan, Page 10 Editorial Comment, Page 11 Observer, Page 11; Lax, Page 12 Business and the euro, Page 21 Bonds, Page 22; London stocks, Page 30; World stocks, Page 34

### Volvo appoints US bank to explore car group sale

well down the scale in percentage

terms. In Paris, the CAC 40

gained 22 per cent to be within 100 points of its all-time high

while the DAX in Frankfurt

Earlier in the day, the Hang Seng index in Hong Kong had

gained 3.5 per cent while the

gained 3.4 per cent.

In Europe, London's FTSE 100 Singapore and Bangkok markets

and William Lewis in New York

Volvo, the Swedish automotive group, has appointed a leading US investment bank to explore a possible sale or merger of its car division, its largest business. The decision represents the first confirmed sign that Volvo,

ownership of its car manufactur-Ford of the US, Italy's Fiat and Volkswagen of Germany have peen identified as possible bidders for the business - valued by industry analysts at SKr40br-

SKr45bn (\$5bn-\$5.6bn). Volvo would represent a multiple of six times the car division's operating cash flow. It would swell Volvo's cash reserves to ilmost SKr60bn - enabling the

his desire to expand Volvo's shares rose 6.2 per cent to truck, bus and construction SKr212; the Stockholm market Lex, Page 12

margin businesses. However, people close to the

company warned that no assurances could be given that a deal involving Volvo Cars would be received a "sell-side" mandate. only a small fee if it finds no one of Europe's premium brands. is reconsidering the strategic

Nevertheless, Volvo is said to reached, one official said.

hank, which has not been named. outright disposal, partial sale or joint venture for Volvo Cars. Volvo declined to comment.

Market speculation surrounding Volvo had centred on a announce underlying operating group to contemplate a large merger involving the whole profits of SKr9bn for 1997, up acquisition in other areas.

merger involving the whole profits of SKr9bn for 1997, up acquisition in other areas. Leif Johansson, Volvo chief per cent rise in Volvo's shares in executive, has made no secret of the past month. On Tuesday the

equipment divisions, all higher- was closed yesterday, a public holiday.

alternatives.

Some analysts believe Volvo might pursue a deal similar to the joint venture at Swedish rival Saab Automobile, in which Invesannounced. The bank has tor - the main investment vehicle of Sweden's Wallenberg Under the terms governing most empire - sold a 50 per cent stake such mandates, the bank receives and surrendered management control to General Motors of the

The bank is also believed to be be "absolutely serious" about scrutinising a possible manufacselling or merging its automotive turing partnership, modelled on division if the right terms can be Volvo's existing Dutch venture with Mitsubishi Motors of Japan, The Wall Street investment which produces mid-size cars.

Mr Johansson has made clear is understood to have drawn up a that he is dissatisfied with the group's car division, which contributed an estimated SKr3.8bn to Volvo's profits in 1997. He is expected next month to

> vious year, on sales ahead from SKr156bn to SKr207bn.



Volvo chief executive Leif Johansson has made no secret of hoping to expand Volvo's truck, bus and construction equipment divisions

### PwC plans global law firm network

It is about to open talks with potential partners in London and

Spain's second biggest law firm, said: "We want to give a signal to the key law firms in the UK that we are ready to start merger dis-

PwC's legal practice in London would have 400-500 lawyers within two years.

World News: North America 5

UK 18, Capital Markets 22

Asia Pacific 16,

# **Austin Reed** FINAL REDUCTIONS HALF PRICE on selected items FOR YOUR NEAREST BRANCH, CALL 0800 585479

### in crisis as MEPs call for sackings

Two commissioners were last night facing demands from bers to resign, as the politident Jacques Santer's sioners to resign.

Commission deepened. But Mr Santer was defaut

The European Liberal Democrats, parliament's third-largest group with 42 members, were set to present at parliament's session next week a resolution calling for Edith Cresson, a for-

mission vice-president, to the EU treaty) in their programmes. European stand down.

ented alongside a censure month, which, if successful, would force all 20 commis-

yesterday. He insisted that if Commission - after voting parliament failed to muster the necessary two-thirds majority for the censure, his Commission would press on - even if it faced a sizeable

entirety," he said. "That means if the vote of censure recently been further error.

other option," he added.
Parliament presented its censure motion - its only official sanction against the against granting discharge to, or signing off, the EU's 1996 accounts. The vote reflected parlia-

mentary dissatisfaction over mismanagement by the Com-

lleging corruption in some believe activating the poor alleging training prorogrammes.

"muclear weapon" of a cen. Leonardo youth training proAlthough parliament has sure would be a serious gramme for which she is until 1996, and concerns over ond lights? with 202 memand Manuel Marin, a Com-institutional provisions [of alleging corruption in some believe activating the mission vice-president, to the EU treaty] in their programmes. "nuclear weapon" of a cen-

> fails, the Commission will angered by the suspension of who leaked information to MEPs, few expect the motion - which requires support from a majority of all 626 MEPs and two-thirds of votes cast - to succeed. The socialist group, the

> > 214 MEPs, is pledged to sup-

port the Commission, and some other political groups

But several groups are European Parliament mem- motion already tabled last continue. We don't have any a Commission "whistle- also anxious to avoid allowblower", Paul van Buitenen, ing the Commission to escape sanction.

The Liberals last night agreed to present a resolution calling on the two commissioners whose programmes have come in for most criticism to "accept biggest in parliament with their personal responsibil-

on awarding contracts.

She has vigorously and repeatedly denied any perrelate entirely to an external contractor. Mr Marin is mentioned for

"lack of responsibility" he has shown related to misuse Echo, the Commission's

responsible, and alleged the Med programme of assis-"favouritism" in decisions tance to Mediterranean

Mr Marin has similarly next week ... denied any personal wrongsonal wrongdoing, and the doing, and the Commissi lems found in Leonardo or Med were at the level of contractors.

would back the Liberals' res-

The European People's See editorial comment

and decide on its position

Such a resolution, requiring only a simple majority to binding force but would put lesser officials or outside Mr Santer under great pressure to act.

bers, said last night they day he had complete faith in

#### Violence renews tensions in Basque region

By David White in Madrid

A resurgence of political street violence in Spain's Basque country has renewed tensions in the region in spite of a ceasefire by the armed separatist organ-isation Eta, in force since

Several dozen hooded protesters hurled petrol ombs and fireworks at a paramilitary Civil Guard barracks in Getxo, a town outside the main Basque city of Bilbao, on Tuesday night.

The action followed an early morning arson attack in Bilbao, which gutted a cafe belonging to a membe of Spain's ruling centre-right Popular party. Local PP politicians were the prime targets of Eta in the last months of its 30-year terrorist campaign, with six town councillors murdered in 1997 and 1998.

Attacks and threats have built up in recent weeks, including the New Year's day burning of a court building in Tolosa, south of

The escalation coincides with increasing demands for government concessions towards more than 500 tailed members of Eta. currently scattered in prisons around Spain. Basque nationalist parties and trade unions, which have criticised the scope of measures so far by the Madrid authorities in response to the Eta efire, are backing a mass demonstration planned for Saturday, calling for a more comprehensive programme to relocate prisoners nearer

their family homes. The protest is expected to be attended by some members of the new Basoue regional government, which is due to take office today. Formed by the mainstream Basque Nationalist party (PNV) and a smaller splinter party, the new adminstration relies on support in the regional parliament from Euskal Herritarrok, the new grouping based on Eta's political arm, Herri

An opinion poll in the Spanish daily El Mundo showed a majority of favouring negotiations with Eta or HB to resolve the Basque conflict

But more than 71 per cent rejected granting pardons to convicted Eta members. even if the ceasefire became permanent. Most were also opposed to pardoning 22 former HB leaders now in iail after receiving seven-year sentences in 1997 for aiding terror-

FINANCIAL TIMES
Published by The Financial Times (Europe)
Gaibli, Nibelungenplatz 3, 60318 Frankfurt am Mam, Germany, Telephone 4-49
69 156 850. Fan +4-40 69 596 4481. Represented in Frankfurt by Colin A. Remnad
& Geschäfelührer and in London by
David C M. Bell, Chairman, and Alan C.
Miller, Departy Chairman, and Alan C.
Miller, Departy Chairman, The shareholder
of the Financial Times (Europe) GmbH in
Pearson Overscen Holdings Linsted, 3 Bortlington Gardens, London, WIX 11.E.
Shareholder of this trompany in Francisi
pic. registered at the same address
GERMANY: GERMANY:

GERMANY:
Responsible for Advertising content: Coin
A. Kemard. Praster: Hürnver International
Verlagsgesellschaft mbH, Admiral-Rosendahl: Stassee 3a, 6230 Neu Isenburg ISS0174 7363. Responsible Editor: Richard
Lumbert, clo The Financial Times Limited.
Number One Southwark Bridge, London
versionary. FRANCE:

FRANCE:
Publishing Director: P. Maravigha, 42 Rev.
La Boette, 750t6 PARIS. Telephone (01)
5376-8254, Fax (01) 5376-8253. Printer:
S.A. Nord Eclast, 1521 Rev. de Cainer,
F-9100 Roubart Codes I. Editor: Rainer
Lambert, ISSN 1148-2753. Communiou
Partitaire No 6780RD.

tesponsible Publisher: Bradley P Johnson. Telephone +46 8 791 2345. Printer: AB

tercuone 440 à 791 2345. Pinter: AB Kvaltstidningen Expressen, PO Box 6007, \$-550 00. Jönköptag. C. The Finanscal Tones Lemated 1999 Editor: Richard Lambert, elo The Financal Tones Lomated, Number One Southwark Bridge, Loudon SEI 9HL.

### Commissioners start to feel the heat

Dossier on alleged fraud and mismanagement has added to trepidation surrounding censure motion in European Parliament next week, writes Neil Buckley

mid-ranking official at under investigation. His impeachment, so few, as the committee, assessing the the European Commission may - with help from the Commission itself - dential documents.

The European Commission itself - dential documents. have landed Jacques Santer

Dutch-born assistant internal auditor at the Commis-sion is at his comfortable, detached home in an affluent Flemish suburb of Brussels this week, some miles from the centre of the political storm he has provoked.

If he were not busy worrying about the future of his job, he might be amused by the international media attention he has attracted. European television crews are oneueing at his door. Mr van Buitenen, whose appearances before the

media have shown him to be articulate and intelligent, has been suspended on halfpay pending disciplinary proceedings. His misdemeanour passing a dossier detailing alleged fraud and mismanagement at the Commission to the European Parliament.

The Commission maintains that the content of the dossiers was not new, con-

But Mr van Buitenen's letin the biggest crisis of his ter did not just outline parfour years as president of ticular cases of alleged fraud the European Union's execu- and mismanagement in amission programmes. It also attacked the Commission's whole culture, citing the "incompetence and unwillingness of the administration to deal efficiently with fraud and irregulari-

> Partly as a result of Mr van Bultenen's actions, the Commission is viewing a censure motion in the European Parliament next week with genuine trepidation. If it loses, all 20 commis-

sioners who head the executive face the sack - plunging the EU into chaos and threatening the timetable for vital reforms needed to prepare the Union for easter enlargement. This is unlikely, as a two-thirds majority would be needed. But enough MEPs could now vote against the Commission to cause it significant dam-

Just as few originally believed President Bill Clinton's affair with Monica taining only cases already Lewinsky would lead to his

a vote of censure.

The confrontation, however, is not just about fraud. trial of strength between two of the EU's three policymaking hodies. The Commission not only

acts as the EU's civil service, running policy day-to-day, but has the sole right to propose legislation. The 628-member parliament, the EU's only directly-elected institution, sees itself as the democratic check and balance on those powers.

Until recently, that was just a delusion. But the 1991 Maastricht Treaty and 1997 Amsterdam Treaty have given to parliament a more portant role in amending and approving proposed leg-islation in conjunction with the Council of Ministers from the 15 member states. Increasingly confident, parliament has begun to flex those muscles it has.

One of parliament's most cherished powers is the right to "grant discharge" to the EU's €80bn (\$93bn) a year budget - or sign off the accounts. Its budget control

It deferred discharge of the budget in March, citing an "maccentably high number of cases where execution of It represents an important the budget has been inappropriate", and gave the Commission until December to put its house in order.

Foreign policy programmes were poorly imple-mented, it said. Efforts to tackle fraud lacked "democratic accountability". Commission staffing policy - par-ticularly the tendency to contract out important projects to third parties eded overhauling.

A spate of leaks about alleged fraud in programmes such as Echo, the humanitarian aid office, and Med, an assistance programme for Mediterranean countries, damaged relations further. So did the latest annual report by the Court of Auditors - the EU's spending watchdog - which estimated that errors affected 5 per cent of all EU budget pay-

The Commission insists it met all parliament's demands in full. But MEPs, dissatisfied with some of its responses,

But more damage was probably done by a Commission statement the night.

and believing they had been deprived of full information

on alleged corruption, began

to grant discharge.

off the 1996 accounts, they should take the logical next step - a confidence vote. \_ Angered by what many

Even then, it seemed saw as clumsy and unwar unlikely discharge would be ranted interference, MEPs voted 270-225 against dis-charge on December 17 and withheld. Mr van Bultenen's dossier, sent to the leader of parliament's Green group took up the challenge of a. a party to which he belongs censure vote. - a week before the vote, Mr van Bultenen's suspenmay have helped tip the bal-

sion appears to have been a further tactical error by the EU executive, inflaming pardays before the vote next

terday that if his Commission survived the censure . As he also observed, the conference was taking place precisely one year before the expiry of his mandate as president on January 6 2000. He and his staff will have to that long. As for any hopes Mr. Santer may have nursed liamentary tempers just of being reappointed for a second term, those now

SINGLE CURRENCY CENTRAL BANK WELCOMES CHALLENGER TO DOLLAR

### Cuba sees euro as trade tool

Cuba is chearing the arrival of the euro, happy to see a challenger to what it sees as the hegemony of the US dollar and a new tool to ameliorate the effects of the US trade embargo.

Europe is currently the biggest single source of visitors, trade and credits to the communist-ruled Caribbean island and the arrival of the new single currency is being welcomed accordingly. Francisco Soberón.

president of Cuba's central bank, said this week that using the euro would help to simplify trade operations Cuba's fundamental and payments with Europe, as well as reducing exchange

risks and even interest rate costs.By prohibiting Cuba from using the US dollar in its international trade, the US embargo forces Cuban companies to move in and out of third currencies with resulting additional costs complications.

and According to Cuben officials, this restriction resulted in currency exchange losses for Cuba of \$260m in 1998. Mr Sobero'n recommended that Cuban state companies trading with Europe start employing the euro from A US official dismissed the

July 1 1999 onwards. potential benefits, however. The euro is not going to fix economic problems," he said. But from the political

Euro hourly exchange rates

globalising US capitalism, may now face a challenge from the euro to its position of world supremacy. "The dollar and the euro are eyeing each other warlly. A promising adversary to the privileged US currency has emerged," Fidel Castro, to legalise the use of the Cuba's president, said last dollar inside Cuba was a week in a speech celebrating the 40th anniversary of the Cuban Revolution.

Inside Cuba, however, the US "greenback" has been gaining strength as the currency of choice following the government's decision five years ago to permit the use of dollars by Cubans. Just over 56 per cent of the live on Cuban peso salaries.

point of view, Cuban leaders Cuban population enjoyed clearly relish the idea that access to US dollars in 1998, the US dollar, the symbol of either through cash remittances sent from abroad, incentive payments by foreign and Cuban companies or through the "trickle down" effects of hard currency tourism and business. Mr Castro has acknowledged the decision

painful one. The island's monetary system now divides Cuban society between those who have US dollars and can therefore enjoy a higher standard of living by buying in hotter-stocked dollar stores. and those who struggle to

### Citizenship plans split German opposition

opposition parties on government plans to liberalise the country's citizenship laws stalled yesterday, as their own ranks split over the

issue. Leaders of the conservative Christian Social Union, meeting yesterday in the Bavarian town of Wildhad Kreuth, sharpened their attack on the government's plans, which, for the first time, would allow foreign residents to claim dual citi-

But as the CSU fulminated against the proposed law, a splinter group of young leaders from the CSU's sister party, the Christian Democratic Union, warned that plans for a petition to oppose dual citizenship for foreign-ers simplified a sensitive issue and threatened to damage support for the party.

At a press conference, four younger CDU legislators said they would not support the petition unless there was also a clear commitment to the goal of integrating foreigners living in Germany. could be exploited by farright parties.

Their statements reflect widespread concern among the opposition parties and An assault by Germany's other groups in society, such as churches, over the treat-ment of the 7.3m foreigners living in Germany.

Those concerns apparently were not shared by the CSU leadership, which has seized on the citizenship issue as an early chance to fire a broadside against Chancellor Gerhard Schröder's \*redgreen" government of Social Democrats and Greens. Gunther Beckstein, Bavarian interior minister, said

the government's proposals were "an attack on internal security". Erwin Huber, head of the state chancellery office, claimed they would lead to the forced "Germanisation" of foreigners. in a position paper leaked to the press ahead of the

Wildbad Kreuth conference, the CSU claimed 4.2m for algners living in Germany would be eligible for dual citizenship. It alleged that the granting of citizenship would prompt a wave of mass immigration as dependants joined their newly "Germanified" relatives. The result, the CSU claimed. would be higher unemployment, urban ghettos and

hit back. Otto Schily, interior minister, accused the CSU and CDU of a "penic reaction" brought on from the loss of power after 16 years in government. He accused Edmund Stoiber, Bavarian state premier, of suffering "a partial loss of reality" and said the CSU actions risked inciting tensions within society. Mr Schily also sought of exploit the emerging dive sions within the opposition. ranks. He said the government would happily support

a constitutional amendment to allow a referendum on the issue. Mr Stoiber, who is bidding to be the main opposition figurehead, backs referendums that are already used in Bavaria. Wolfgang Schäuble, CDU chairman, vehemently opposes referen-dums, which he believes encourage populism and undermine the duties of elected politicians to lead.

Mr Schily said the government would next week reveal details of its planned reform of Germany's citizenship laws, which are based on blood lineage, to allow foreigners to hold a German passport alongside one from their country of ethnic ori-

### Car price disparities highlighted

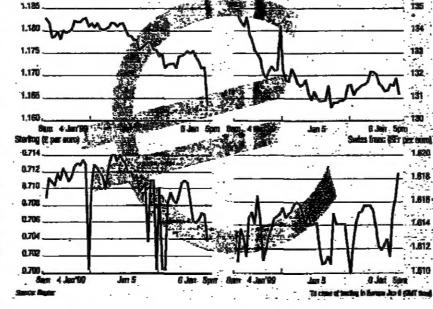
New car dealers this week were busy slapping euro price stickers on wind screens across the 11 countries of the euro-zone. But they merely emphasised continuing wide price disparlties between individual European Union states. Prices of many cars from

the volume producers are shown still to vary by up to 25 per cent in the EU and by up to 50 per cent in the UK, which is outside the eurozone and the EU's most expensive new car market. With exchange rates no longer a factor in the eurozone, manufacturers claim the gaps can be pinned down to two main reasons.

One is greatly differing specifications for seemingly similar cars. A 1.6 litre Opel Astra bought in Portugal is a much more simply-equipped machine than its CD-playing. air-conditioned yet identically named counterpart in Germany, says David Hopkins at General Motors' Ger-

man cars subsidiary. The other is the wide spread of taxation rates on new car purchases - up to 213 per cent in Denmark, as the pre-tax prices they low as 15 per cent in Luxembourg.

Despite these factors, automotive industry analysis pretax differentials will also and some car makers say euro pricing will lead to consumer pressures that willsubstantially narrow the states. price gaps by making them



weeks, then certainly within 12 months.

Currently, most manufacturers effectively subsidise charge in high-tax countries by charging more in lower tax states. Narrowing the have the effect of making much clearer the big tax regime differences between According to a market

transparent. . Such a process study by Lehman Brothers, should take place at least at some car makers may choose the pre-tax level if not in to sacrifice sales in high-tax markets in seeking to ensure that the narrowing of price differentials does not mean dropping average pre-tax borders to search of a better prices unprofitably far.

Manfred Lohr, in charge of euro affairs at Volkswagen, expects VW's own prices to band in about a year, although this excludes the highest tax anomaly countries such as Finland and Blair and cure, See Britain Page non-euro countries such as Busi

the UK. In two years, virtually the entire industry's prices will have converged to such an extent there will be no reason for most would be buyers to cross internal EU deal, he says.

Garel Rhys, professor of motor industry economics at the UK's Cardiff Business arrive within a 5-10 per cent. School, also expects convergence at around the 10 per cent level in about a year. nos and the euro, Page 21

### **Bonn sets financial** consolidation course

By Ralph Alkins in Boom

Germany's government yesterday committed itself to a priate combination" of fall from 2.5 per cent last financial consolidation demand-side as well as supcourse that would cut the ply-side policies, in addition public sector deficit to 1 per to macro-economic co-ordicent of national income in 2002 and reduce debt to below 60 per cent of gross domestic product in the same year.

The demanding targets reinforced pledges by Gerhard Schröder, chanceflor, as in other euro-sone counand Oskar Lafontaine, tries and unemployment is finance minister, that the set to remain high. Social Democrat-led government would adhere to sconomic growth this year of Europe's "stability and 2 per cent - in line with growth" pact, which sets fiscal rules for euro currency membera

However, the programme

unveiled by the finance min- German institute for ecoister stressed the govern- nomic research. The public ment would seek an "appronation at European and international levels.

Analysts also warned the government could struggle to meet its targets. Cuts in interest rates have not been as pronounced in Germany

The projections assume most forecasting organisations but clearly higher than the 1.4 per cent forecast this week by the Berlin-based old in 2001.

sector deficit is expected to year to 2 per cent this year and then I per cent in 2002. State spending as a share of GDP would drop from 48.5 per cent last year to 46.5 per cent in 2000 - a slightly slower rate of decrease than

Helmut Kohl. German debt, inflated the cost of unification ar having failed the target of 60 per cent set in the Maastricht treaty, is expected to drop from 61 per cent in 1999 to 59.5 per cent in 2002. Mr Kohl had hoped to meet the 60 per cent thresh-

envisaged by the govern-

ment of former chancellor

حكذامن الأحل

(DE low Kgy)

# Ecevit is new Turkey sees a new approach favourite for to improving ties with EU premiership

By Leyla Boulton in Ankara

has re-emerged as Turkey's minister-designate after Mr likely next prime minister in Ecevit gave up his earlier what appears to be the final phase in the country's 42day-old political crisis.

Bülent Ecevit, a 73-yearold former Socialist prime minister, had previously given up his efforts to form a new, secularist government after a rightwing rival see Mr Erez, a rival on the

refused to support him. right, improve his chances
But her subsequent in the April elections at her change of heart has re- party's expense. instated Mr Ecevit as favourite for the premiership. Unless a new administra-

tion is in place by Monday, President Süleyman Demirel has the right to name a new administration without requiring the approval of

by Mr Ecevit could now command majority support in parliament.

Legislative elections are due in April. But in the interim, the powerful Turkish army is keen to keep the Islamic Virtue party from power, even though it is the tingle biggest political couping.

Yesterday, Yalim Erez, the outgoing trade and industry minister, conceded that he would not be able to form a

President Demirel had A veteran political leader named Mr Brez as prime

attempts in the light of Ms Ciller's then opposition. Buoyed by the increased prospect of a coalition headed by Mr Ecevit, the

stock market rose 2.21 per cent yesterday. Ms Ciller is reluctant to

It is also in Mr Ecevit's interests to run the government until the elections in order to outshine a rival leftof-centre party, the Republican People's party.

Mesut Yilmaz, the outgo-ing prime minister who lost a vote of confidence last However, it is thought month, warned yesterday likely that a coalition headed that Turkey needed a new government quickly to help steer it through a "sensitive" period for the economy.

He said that this year Turkey stood to gain an influx of new foreign investment and financing from the International Monetary Fund providing it could continue on a modest scale the stabilisation policies and structural reforms begun by his minor-

The armed forces, which play an influential role behind the scenes in Turkish politics, also stepped up their demands for a speedy in parliament, announced end to the political crisis

#### Socialists | Shock for plan for European | mobile elections

医乳毒素 医肾上腺

Bearing C.

\$ .....

1121

ets financia

dation cour

A 400

September 1980 or and

a opposition

European socialist parties manifesto for June's European parliament elections, endorsement of the euro as

The manifesto, to be pubched in March edges there will be more qualified majority voting in the European Union's council of ministers, as part of further political integration between member states.

isation where possible".

The document is expected

While containing the UK also use words from Lionel Jospin, French prime minister. "Yes to a market econthe document was likely to have become much closer,"

The launch of the European single currency may drag Ankara into a virtuous economic cycle, reports Leyla Boulton

finalise a solution to the Cyprus problem. Turkish troops are taking part in manoeuvres with the EU's new defence force.

Even though Turkey is not a member of the EU, it has made sufficient inroads into its inflation and budget deficit to qualify for membership of the single currency. the suro, were it to become a

This is not just a fantasy if

you subscribe to a new approach emerging on both sides as the only way to improve Turkey's troubled relationship with the EU. For the launch of the euro. described by Turkey's central bank governor as "one

mats and officials in Ankara. By setting high standards of monetary discipline and increasing transparency and competition, Turkey's eurozone neighbours will drag the country into a virtuous

age", might turn out to be

an opportunity, say diplo-

sponsored by the Euro-pean Union are about to better overall relations, say key's liberal regime on capithose enthused by the idea.

Turkey were most recently and therefore responsive to, hattered by Italy's refusal to external pressures. The cusleader of the PKK Kurdish guerrilla group, to Turkey. dismantling of all trade bar-But they have long been bit-riers, including services and terly divided over a host of agriculture. other political disputes, not least the EU's pursuit of and the possibility that Tur-

Greek and Turkish halves. Bahri Yilmaz, a professor of international economics who is also an adviser to the Turkish foreign ministry, is one of a growing number of experts to "see more benefits prochement could help Ankif we integrate economi-

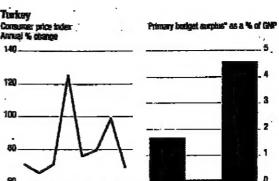
The central bank hopes the euro will set a "higher standard of macroeconomic policy-making" for Turkish politicians who in recent vears have allowed inflation to reach nearly 100 per cent. The foundations for

"he year is 2006. Talks economic cycle that in the strong. Half Turkey's foreign tal and currency flows make Ties between the EU and its 60m people vulnerable, extradite Abdullah Ocalan, toms union set up in 1994 provides for the progressive

> Even closer economic ties, partner in the the European membership talks with key might participate in a Cyprus, even though the common defence and secuprocess." island remains split into rity policy under discussion at the EU, could in turn improve the political cli-

Alexis Brouhns, Belgian ambassador to Turkey. argues that such a rapara take the "right decisions" in more contentious areas such as human rights and concessions for Kurds in the south-east of the coun-

"If we focus only on political questions, it is clear that little progress will be made in, say, 10 years' time," he improved economic ties are says. "This will create an



even greater distance between Turkey and the EU. If we extend monetary co-operation, it will make analysts say.

In the short term, the euro is unlikely to change things much. Erol Sabanci, head of Akbank, one of Turkey's biggest private sector banks. says that initially it will be just "one more currency

coming into the picture". But in five or 10 years' time, bank executives believe the picture could change dramatically if European banks, strengthened by the cross-border consolidation that is expected in a single currency area, begin to look for growth in neighbouring markets.

This in turn could speed long-overdue restructuring

of the Turkish banking sector, and a similar positive knock-on could spread in other parts of the economy.

Ali Tigrel, an economic and political consultant, banks, capital markets, instipoints out that in the short term, most Turkish companies will be preoccupied with down and credit squeeze triggered by the emerging markets crisis.

director of Edip, a yarn manufacturer, says survival is the priority over the next

However, he can see one immediate benefit from the euro's introduction; pricing by his European competitors will be much more transparent, since they will all start quoting prices in a common currency. And this in turn

might help him gain market

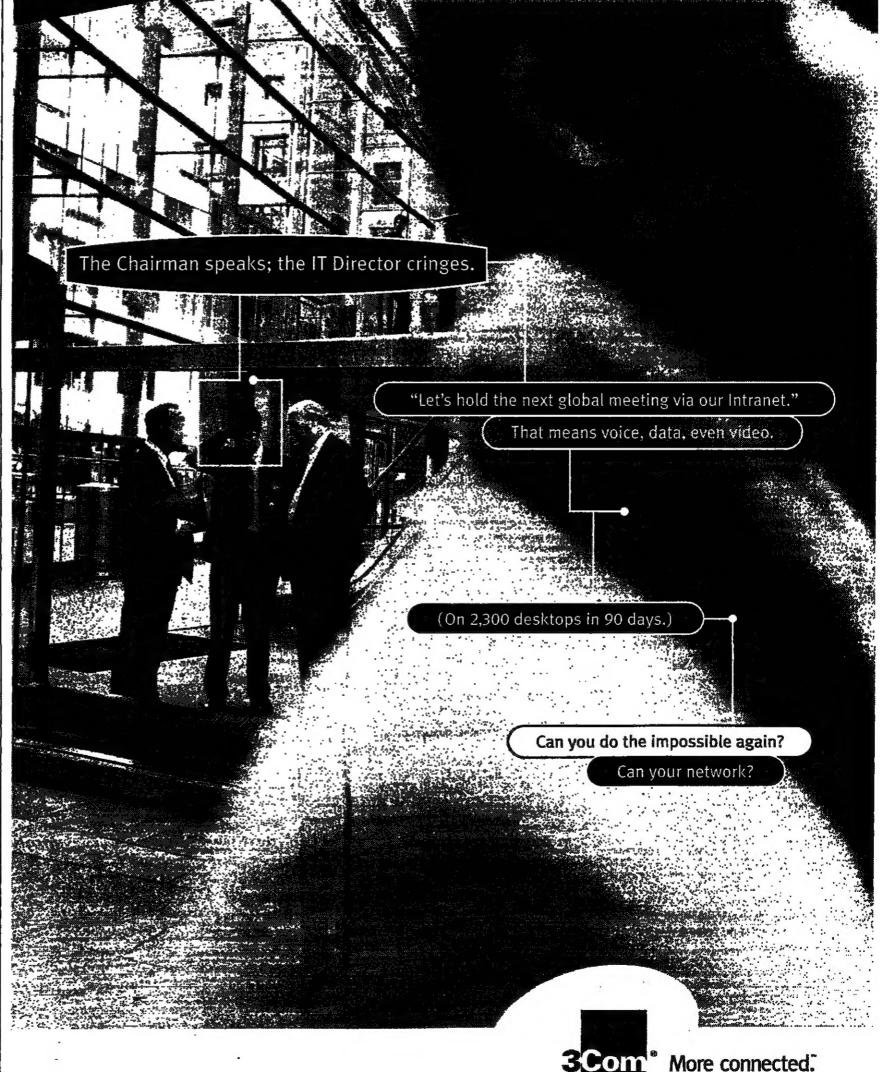
share at their expense. Longer-term, says 'Mr Tigrel, private sector companies handicapped by high domestic inflation and interest rates could step up pressure on Turkish politicians to fix the economy to help them compete with European rivals expected to become more efficient in a single currency area.

The opportunities, choices, and advantages which will be available to us in such a large and efficient market will go hand in hand with our approach." says Gazi Ercel, governor of the Turkish central bank, which has worked hard to help prepare Turkish banks for the new euro-age.

"For this reason, only tutions and governments that prepare themselves well during this transition period will be able to obtain the

maximum benefits." But Turkey will still need Kenan Koc, managing shaky public finances, cut double-digit inflation and privatise a still large, if shrinking, state sector.

Moreover, Turkey's power ful armed forces, which are often seen as an obstacle to improving political ties, could develop a vested interest in closer integration because of their desire to join a future European



3Com builds networks powerful enough to handle even the most daunting request. Intelligent networks that close the gap between time and distance. So that bandwidth-demanding applications - such as remote training and video-to-the-desktop — run smoothly. All from the company that's connected more businesses in more ways than any other. Visit www.3com.com/moreconnected for the latest news about converged networks.



Andrew Parker, Folitical Correspondent

will today finalise a draft from fixed lines soured. Reuwhich is to include a strong

an engine for job creation.

However, in language taken from Britain's ruling Labour party, the manifesto will argue for "integration where necessary, decentral-

The centre-left is in power 13 of the 15 EU member states. The manifesto for the Party of European Socialists has been drawn up by a working party chaired by Robin Cook, UK foreign secretary, and assisted by Henri Nallet, European affairs spokesman for France's rul-

ing Socialist party.
UK officials said the 3,000word document was largely free of European jargon and could supplement the British Labour party's separate national manifesto as a campaigning tool in the run up to the European elections. It will stress that Europe' main challenge is to tackle unemployment.

to represent a compromise between the different political philosophies underpinning the UK and French socialist parties.

nguage on the limits to olitical integration, it will omy, but No to a market society." UK officials said receive the support of socialist parties across the EU, in contrast to previous manifestos. It also illustrates how

one official said. Mr Cook said: "My role in chairing the working party shows the British Labour party is very much engaged

in the European debate." The manifesto will commit the socialist parties to deepening co-operation on defence matters.

On tax, the document knowledges the need for a 'code of conduct to ensure there is no harmful tax com- alisation of the telecoms petition between member market, these increases states. "There is no commitment to have qualified listic behaviour that threatmajority voting on taxation ens to have negative effects matters," a UK official on companies' competitive-

### Italian addicts

Italians addicted to mobile phones got a nasty shock vesterday when the cost of calling cellular telephones

ters reports from Rome. Under a "simplification" of tariffs ordered by the communications watchdog, the charge for telephoning a portable from a land line surged

Only so-called "family" subscriptions, which give some private users cheaper rates in the evening, saw prices fall. For them, daytime calls on weekdays will now be 24 per cent cheaper. But even those users were saddled with an 83 per cent increase for calls at night and during the weekend.

It was a heavy blow for a country that is the world's biggest devotee of cellular telephones after the Nordic nations.

Mobile services are operated by Telecom Italia Mobile, a unit of Telecom

'It is peculiar that

the tariff simplification ends up dealing a blow to users'

Italia, and Omnitel, jointly owned by Italy's Olivetti and Germany's Mannesmann. Last year, a third licence was awarded to Wind, a consortium led by state-run electricity group Enel, which includes France Telecom and Deutsche Talekom. The government is planning a tender for a fourth licence.

For corporate users, the tariff rises were especially steep. The new system introduced a single rate for business calls whatever the time of day, replacing a sliding scale that allowed cheaper rates in off-peak periods.

That change makes business calls at night more than Franco-British relations 153 per cent dearer, with evening charges up 120 per cent and afternoon calls 56 per cent more expensive.

Confartigianato, an organi sation representing self-employed workers, slammed the changes as grim news for companies. It is peculiar that the tar-

iff simplification ends up

dealing a sharp blow to users," the association said. "Instead of the muchtouted competition and liberseem to reinforce a monopo-

yesterday rallied to the defence of the UN's integrity and impartiality following reports that its disarmament commission in Iraq had been used by US intelligence as activities which had helped cover for spying.

Reports in yesterday's Washington Post and the Boston Globe said that Mr Annan had received evidence about eavesdropping the US listen to sensitive

weapons inspectors' work. Earlier, Richard Butler, Unscom's chairman, disstates, including the US, offered help after Baghdad put up "a wall of resistance" Kofi Annan, the secretary communication between to weapons inspections, states' national purpose, lary of the Security Council close to the secretary-

requested such assistance, Mr Annan wanted to be rid he rejected allegations that of the beleaguered Unscom it was used improperly. "We never accepted or

used any of that assistance was no discussion of other for any other purpose," he candidates. He emphasised that Unscom was a subsidsaid. "Not for any member

when he became aware that the press reports were being chief, but Mr Eckhardt said this was "not so", and there

The reports also seemed to among some UN officials

As the controversy over Unscom unfolded, Iraq and the UN appeared headed for another crisis, over the fate cause genuine surprise of British and US humanitarian workers working on the UN oil-for-food programme

Diplomats said the move appeared to be aimed in particular at the de-mining teams working along Iraq's border with Iran and Tur-

### Israel's soft-spoken peacemaker steps into harsh electoral battle

By Avi Machlis in Tel Aviv

Israel's former army chief of to become chief of staff in staff, Amnon Lipkin-Shahak, 1995. His tenure was unrefaced the cameras yesterday with the quiet confidence and charismatic smile for which he is known, and announced his candidacy for the premiership.

But after facing the press. Israelis were little the wiser about the mysterious military man who could be the dark horse of the May 17 elections. Launching his campaign

with an appeal for unity failed to mask Mr Shahak's Organisation (PLO). lack of original policies for regional peace or security. Yet his avoidance of sound bites and his soft-spoken Benjamin Netanyahu, primo minister, may be his biggest asset. Many Israelis are fed up with the empty slogans of

itary preparatory school in 1962. As a junior officer, he

prestigious medal of valour. and rose through the ranks markable. The only big milion southern Lebanon in April 1996 which included a devastating failure - the shelling of a United Nations base that killed 100 Lebanese

But Mr Shahak's last years in uniform are most remembered for his senior role in negotiating the Oslo peace accords between Israel and the Palestine Liberation

"The Process", a recently published book on the Oslo negotiations by Uri Savir, Israel's former chief negotiastyle, even as he attacked tor, affords some rare glimpses into Mr Shahak's skills. In March, 1994, Mr Shahak was dispatched to Tunis with a small delegation to persuade Yassir Ara-Mr Shahak. 51, was born fat, PLO chairman, to return in Tel Aviv and joined a mil- to the table after an Israeli extremist massacred 31 Palestinians in Hebron. Mr Ara-

West Bank town.

Mr Shahak, says the book began by "expressing in his soft, steady tone, his personal regret for the massacre." He then reassured Mr capturing Israel's centre: Arafat that Israel was cracking down on Jewish extremists. Mr Arafat would not budge. The next day, Mr Shahak

PLO guesthouse kitchen, where it took him only 20 minutes to soften Mr Arafat. However. Mr Shahak's involvement in the talks attracted criticism from Mr Netanyahu, then opposition leader, who was angry that the Labour-led government

was employing generals as After Mr Netanyahu's election in 1996, the two had a stormy working relationship. Israeli military correspondents said Mr Shahak vetoed several reckless military silence Mr Shahak during a smile.

was expressing political opinions.

These clashes underscore what may prove Mr Shashaking off his association with the previous Labour-led government. Mr Shahak's top campaign managers are former aides to Shimon took Mr Arafat aside to the Peres, the previous Israeli prime minister and architect of the Oslo accords.

The assassination of Mr Rabin, his mentor, in November 1995 by a Jewish radical opposed to the peace process, made a deep impact on Mr Shahak's decision to enter politics.

But no general - not even Mr Rabin - ever jumped straight from the army into the premier's seat. With israel's political system rapidly fragmenting, Mr Shahak leading a bitterly divided operations prepared by Mr society and political system. Netanyahu. And last June. And that, will require far Mr Netanyahu tried to more than a photogenic Lipkin-Shahak an



### Khatami on top as ministry admits murder link

By Robin Allen in Dubal

Mohammad Khatami, Iran's to one Iranian analyst, had reformist president, appears to have made a dramatic breakthrough in his battle with the hardline clorical establishment after the intel- phe," it said. ligence ministry had to been involved in recent mur- ances of prominent secular tual leaders.

officially known as the information ministry, admitted

day but nearer 50 according been arrested. "It (the intelligence minis-

try) clearly understands the ensions of this catastro-A series of six murders admit that its agents had and unexplained disappear-

ders of secular and intellec- figures and reformist intellectuals late last year The intelligence ministry, shocked Iranians, particularly supporters of Mr Khatami who accused Qorbanali

and discredit the president. All six had been outspoken critics of the clerical estab-

Mr Khatami's apparent failure, until this week, to exert his authority to discover who was responsible was also driving a wedge between his more activist the "silent majority" of ordinary Iranians.

Since a landslide election that an unspecified number Dorri Najafabadi, the intelli-victory last year pitched Mr of its agents, six according gence minister, of being Khatami into office, he has policy.

consistently tried to translate nationwide support into national authority.

Against him are conservative vested interests, who form the largest group in Ayatollah Ali Khamenei, Iran's spiritual leader, who has control of many levers of power, including the armed supporters who were becom-ing visibly impatient, and units of the interior ministry, including the police and security forces, state radio and television, the judiciary and foreign

the dark forces, a coalition of business and intelligence groups. people who want to monopolise power and have been trying to discredit Mr Khaterrorist acts." But with Mr

of the renegades are now

Others, like Ali Razin, the judiciary wounded on Tues- also the secrecy of its day in a grenade attack on operations.

according to Mr Khajehpour, knowing too much, and are themselves targets from the

The president, according to one analyst, "has shown he is capable of exerting his tami and destabilise Iran by authority in one of the hardliners' most sensitive strong-Khatami hitting back, "some holds. The hardliners, for a change, have their backs to willing to trade information the wall. Ayatollah Khamein return for their own nei will find it harder to justify not only his own personal control over the diehard head of the Tehran intelligence ministry but

#### **NEWS DIGEST**

SIERRA LEONE CONFLICT

#### Rebel forces seize key areas of Freetown

Rebels attacking the Sierra Leone capital Freetown yesterday seized President Ahmad Tejan Kabbah's state house and other key areas, witnesses said. Rebel commander Sam Bockarie said his men, attacking from mountain hideouts, would only halt fighting with Nigerian-led peaceksepers if detained rebel leader Foday Sankoh was

Mr Kabbah's whereabouts were not clear but Mr Bockarie said the president might have crossed an estuary to Lungi, site of Sierra Leone's international airport and main base of the Ecomog peacekeeping force.

Mr Bockarie said that his guerrillas had taken over most of Freetown, including the broadcasting station, and that fighting was mostly centred on Waterloo town north of the

But the information minister, Julius Spencer, and Ecomog spokesman Chris Olukolade denied most of the

Mr Sankoh was sentenced to death in October on treason charges over a coup that overthrew Mr Kabbah in May 1997. His rebels backed the military junta that took power until Ecomog troops reinstated Mr Kabbah.

#### KAZAKHSTAN CAMPAIGN

#### Election 'grossly unfair'

Kazakhstan's presidential election process is "grossly unfair", a US-based human rights group said yesterday, just four days ahead of the ballot. "Coercion, threats and the repression of opposition activists have characterised the presidential election campaign in Kazakhstan." Human Rights Watch said. In a letter to the Organisation for Security and Co-operation in Europe, it said the OSCE should protest by postponing establishment of a field office in Kazakhstan. The OSCE has already criticised the election and warned it would not recognise the results if voting went ahead as planned.

The group attacked President Nursultan Nazarbayev's decision to bring the vote forward from late 2000, saying it allowed his opponents insufficient time to mount a serious It also said some candidates, including key opposition

figures and former prime minister Akezhan Kazhegeldin, had been wrongly banned from the election for minor administrative offences, and the authorities had put pressure on voters and independent media to back Mr Nazarbayev, who is expected to win comfortably on Sunday. extending a reign he started as Kazakhstan's Communist Party chief under Soviet rule. Reuters. Almaty

#### WORLD TRADE

### Airbus wins sales battle on Boeing's home ground Indian

By Christopher Parkes In Los Angeles

Airbus Industrie has extended its reach into rival Boeing's home territory with a deal to sell 30 single-aisle airliners, valued at \$1.3hn, to Boullioun Aviation Services. a German-owned leasing company based in Washing-

The contract for 15 A319s and 15 A320s, with deliveries to start in February 2002,

European consortium. it also suggests there has been no let-up in the price wor between the world's leading commercial aircraft makers which has added to Boeing's woes with a shortage of Asian orders and long-standing production

Boullioun. recently acquired by Deutsche Bank - which has close links with Airbus partner - had previ-

Last year British Airways and Trans World Airlines departed from their Boeingonly policies with firm orders for almost 60 Airbus jets, and US Airways ordered first non-Boeing deal in this

The British Airways defection prompted renewed comwith one official saying prod-

aircraft, marks a further sig-nificant US advance for the aircraft. ously bought only Boeing option for the US company nor its shareholders. Noël Forgeard, Airbus

chief executive, said Boullioun's order marked the start of a promising relation-Negotiations which began

30 wide-bodied A330s in its before Deutsche Bank showed an interest in buying the US company had been concluded last October, according to Robert Genise, plaints from Boeing about chief executive, and the the Airbus pricing policies, announcement had been delayed pending completion ucing at a loss was not an of Deutsche Bank's takeover.

Boullioun. previously Trust & Banking, is expanding aggressively despite the current slow growth in air traffic, with plans to increase its portfolio to 150 aircraft by 2005, and join the reach 80 in seven or eight strated that, despite the top three in the leasing years.

Its inventory currently comprises 33 Boeings, leased panies had outstanding of about 5 per cent a year.
to 16 airlines including Brit-orders and options on about Under the terms of the ish Airways, Air New Zealand and Varig, and it has options on a further 63 Boe-

Pumping up demand

The company also has a that single-aisle aircraft "can owned by Japan's Sumitomo 35.5 per cent stake in Singa- be managed through a downpore Aircraft Leasing Enter- cycle very nicely." prise (Sale), with 14 airliners on its books, of which half were made by Airbus. Mr Genise said Sale's total could

> announcement, the two com-100 aircraft, valued at \$8bn. Mr Genise said the experitraffic in 1991/92 had shown

growth in air traffic were also good, he claimed. because experience demonimpact of cyclical dips, demand regularly returned to its historical growth rate

Under the terms of the contract announced yesterday, Boullioun may change ence of the downturn in air its order and take a mixture of A320s, A319s and A321s,

### Reebok **imitators** raided

By Amy Louise Kazmin in New Dethi

Reebok India has launched a crackdown on Indian companies that have flooded local bazaars and upmarket retail shops with counterfeit versions of their popular sports clothing and cricket bats.

Armed with an injunction from the Delhi high court, Reebok officials, local police and private investigators raided the premises of five manufacturers in New Delhi and two towns in the state of Punjab that had used the Reebok logo to decorate T-shirts, sports clothing and cricket bats without company permission.

Hemant Singh, a lawyer for Reebok, said the plethora of cheap imitations of Rec. kets and shops was eroding the company's elite brand identity. "Papele bok products in India's mar identity. "People who are genuinely wearing Reeboks definitely don't like seeing cheap Reebok products worn by every Tom, Dick and Harry," Mr Singh said.
"They are very expensive footwear and clothes. You don't want to see your driver and peons wearing the

Merchandise worth an estimated \$25,000 was seized from the manufacturers, a Reebok spokesman said. India, which does not cur-

rently recognise product patents, has been struggling to offer stronger protection to intellectual property rights, including trademarks and company names. another recent judgment. down a travelling carnival that called itself the "Disneyland Amusement Park." and sold merchandise using Disney's trademarked characwithout authorisation

sforecasts gord S76bn ndget surplus

A CONTRACTOR

نهجه غويوانان

فح غمدت

and the street of

.. the through

44 Au 118

We man to see seek e na va**vensi Pro** 

BLITTINGS TONIAND We have to plan tier tien fieberm!

# ketball dispute

#### Pump makers foresee strong global demand Peter Marsh reports on an industry that

is confident it can escape the effects of the Asian crisis in coming years The world's pump indus- tion, chemicals and oil and

try, which serves a gas. One of the factors help-range of sectors, from ing to sustain the growth of cement production to water treatment, looks set to crank up production substantially over the next few years, in spite of the impact of the Asian economic crisis.

While leading pump companies are generally cautious about the short-term outlook in south-east Asia. which has been responsible for much of the industry's expansion in the 1990s, they are confident that other large projects elsewhere will keep the sector whirring convincingly over the next

The market is in good shape," says Josef Gerstner, chief executive of KSB of Germany, the world's third biggest pump producer and the largest in Europe.

Pumps push liquids or industrial processes, include expand from \$20,000 in 1997 culture working the lens in Asia will be greater pump sales in Taiwan and unlikely to expand its pump Ohio, 41143-2326, \$3,900

the world's biggest pump companies is the diversity of their product range; individtail pumps can sell for anything from a few hundred dollars, for the types that lit in to domestic central heating systems, to several million dollars for pumps used in big oilfield or water control projects.

Each of the 70 large pumps being fitted by ITT Industries of the US, the world's blegest pumpmaker, to an \$18m flood-control system in New Orleans is powerful enough to pump 500,000 gallons of water a minute. while the most sophisticated turbopumps used to create vacuums propel air at three times the speed of sound.

According to a report\* by Freedonia, a US consultancy, gases in a large number of world pump sales will industrial precesses, include expand from \$26.4bn in 1997



Servicing water pumps in Yorkshire. Global output is rising

expansion knocked only types of capital equipment. slightly by a reduction in Asian economic turmoil.

makers generally will

According to Freedonia, industry and infrastructure pump sales in the Asia-Padevelopment in countries cific region will expand 49 such as Indonesia. South per cent between 1997 and Korea and Malaysia, which 2002, from \$7.9bn to \$11.8bn. have been badly hit by the This is substantially above the figure expected for west-

The consultancy believes ern Europe - where sales that growth in other Asian over the same period are nations, such as China and forecast to grow 33 per cent, India, which have been less from 89bn to \$12bn - and for affected by the crisis, North America, which is together with strong demand likely to see a similar expan-In continental Europe and sion in sales, from \$5.2bn to the US, will mean pump \$7bn.

The consultancy thinks weather the chilly economic that an unexpected side climate worldwide that has effect of the economic prob-

output of pumps from the Australia, while sales of sales much above the \$1.8bn region, caused by the commarine pumps in South

petitive boost many producers in this part of the world have gained as a result of the devaluation of local cur- uation of the Korean currencies. Manufacturers in the Asia Pacific region will be responsible for about a third of world pump production in 2002, Freedonia forecasts, up from less than a quarter in 1992.

While parts of south-east

demand for pumps in China is continuing to expand at up to 15 per cent a year, according to Mr Gerstner of

Korea, driven by a rebound in the country's shipbuilding industry helped by the devalrency, are also climbing. according to Sir Ron.

The industry is set for a years than many people expect," he says. A disappointment for the industry generally, however, Asia have experienced a has been weakness in

sharp fall in pump sales, demand for pumps in South America and Eastern Europe, says Dick Labrecque, chief executive of the pumps division of ITT. Mr Labrecque is less optimistic Sir Ron Garrick, chief than other industry players executive of Weir, Britain's about the short-term trends biggest pump maker, also in the industry: he reckons

expected for 1998. But taking a rosier view is David Devonshire, chief

financial officer of Ingersoll-Rand, another big US pumpmaker, which runs its pump division as a joint venture with Halliburton, the US oil better time over the next few and gas services and engineering company. Mr Devonshire says the industry is being given a general boost by extra spending on water treatment projects, driven by tougher environmental legislation in parts of Europe and the US. Extra demand due to such projects in these regions is helping to compensate for lower pump demand in parts of Asia, says Mr Devonshire.

\*World Pumps, Freedonia, reports strong growth in his company in 1999 is 767 Beta Drive. Cleveland, Mouse and Donald Duck,

المكذامن الأمل

医最后支付线 化环烷基化物

band

រីយោ 'ពួកទទៀប unfair'

Indian

Rechok

imitators

raided

et forces seize key

as of Freetown

IMPEACHMENT TRIAL HEAVY LOSS OF SUPPORT FORCES CLINTON FOES TO THINK AGAIN

### Backlash puts renewed pressure on Republicans

Shortly after noon today, a gaunt figure in sombre judicial garb will swear an oath in the well of the Senate floor and proceed to open what has already been somewhat predictably dubbed the Trial of the Century.

William Rehnquist will be only the second chief justice in US history to exercise the most extraordinary and consequential of his constitutional duties - presiding over the impeachment trial of the president.

But the opening ceremony - in which the articles of impeachment passed by the House of Representatives will be read to senators by Henry Hyde, chairman of the House Judiciary Committee, and senators sworn in as jurors - is about the only part of the proceedings clearly foreseeable.

Negotiations are expected to continue right up to the start of business between Senate Republicans, Democrats, the House "managers" congressional elections, and of the trial and the White a massive collapse in popu-

House. They hope to reach lar support since then, an almost indecently quick by then a so far elusive

The reason the haggling simply because historical precedent is so patchy on how to try a president accused of "high crimes and misdemeanors".

It is that delicate political calculations about the case are weighing heavily on the minds of all those involved except perhaps the unelected chief justice-for-life, Mr Most Republicans believe

that President Bill Clinton's alleged offences - perjury and obstruction of justice should be thoroughly examined in the Senate courtroom. But they are acutely aware of the political toll that the Monica Lewinsky affair has taken on their party. So far it has more or less directly cost them two Speakers of the House, the loss of five House seats in last November's mid-term

president has aroused widespread disgust at those - the has been so intense is not Republican party - deemed responsible. According to

party's standing has sunk achment last month to its lowest level since Richard Senate Republican leaders are understandably eager to

call a halt to the bloodletting. A large number of Republican senators are defending narrowly won seats in the 2000 ele and party bosses are anxious to dispose of the Lewinsky affair and rebuild their for tumes in time for a tilt at the presidency when Mr Clinton

For all the popular pieties senators are more politically vulnerable to shifts in voters' opinions than House That was the reason Trent

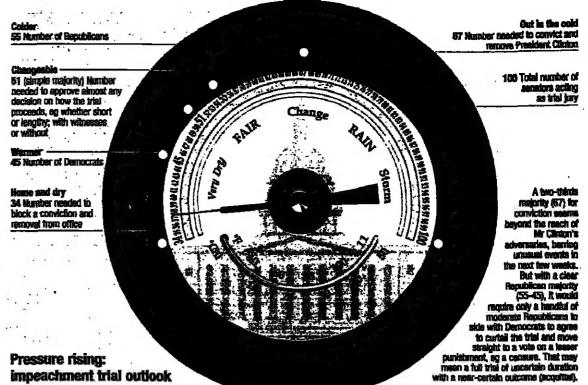
Only if two-thirds of senators voted "yea" to that the number ultimately required to secure Mr Clin

sure resolution. to back the plan, it would have needed the support of Lott, the Republican Senate only six of the 55 Republiminority leader, last week

Opinion polls indicate the trial Concerned at the prosagreement on how to pro- unpopular prosecution of the pect of a prolonged trial featuring a colourful cast of witherself to Linda Tripp, Kenneth Starr and others, Mr one poll at the weekend, the Lott asked his colleagues for views on an abbreviated prosince the House voted cedure. It would last four days and would feature no whether or not the offences Mr Clinton was alleged to have committed were

> ton's conviction and removal from office - would the trial continue. If - as seems likely - fewer that two-thirds voted yes, the Senate would then move to consider a cen-Given that all 45 Senate Democrats seemed prepared

cans to gain the simple ended trial would begin.



of any procedural motion. earth with a thud in the last the risk of a protracted and tors shot it down. And as negotiations continued yes- not about the average votterday it was still unclear er's view, but about the attiwhat kind of procedure would emerge. But the likeliest outcome seemed to be that some sort of open

Why do Republican sens-But the balloon crashed to tors seem so anxious to run

Some may be concerned supporters in the party. But there is also a widespread view among Republicans they cannot simply drop the

fulfilling their constitutional duty to conduct a trial. Most appear to believe they must at least start the

trial, proceed for a week or curtailing it before it inflicts too much damage on them. But that may prove tricky.

impeachment issue without Yesterday, the White House stepped up the pressure by warning if a single witness the floodgates - Mr Clinton would call numerous people to testify in his defence. The result could be a protracted process, lasting months, end-ing in the president's acquit-tal, and damaging the

### **US** forecasts record \$76bn budget surplus

in Washington

The Clinton administration yesterday forecast a federal budget surplus of about \$76bn for the current fiscal year, higher than previously projected, due to robust revenue growth and the continuing strength of the US econ-

Proclaiming that the "era d big deficits is over", President Clinton said the US is on track to register the largest surplus in the country's history in the 1999 fiscal year ending on September 30. But he also warned that fiscal discipline must not be abandoned and repeated his oft-voiced desire to see the Social Security safety net recaired before other claims on the surplus are enter-

"We worked hard to bring fiscal discipline to produce this surplus," said Mr Clinton. "Like any family with long-term financial needs and a little more earnings than we expected, we can't go out and spend the surplus today. We have to plan for the future."

The US registered a sur-Aplus of \$70bn in fiscal 1998, the first in 29 years after a long string of federal defi-

The administration's latest estimate is higher than its original prediction of last May, when the Office of mism fuelled sales increase management and Budget from coast to coast, Renter projected a fiscal 1999 surplus of \$54bn. A strong surge in revenues from taxes. including capital gains receipts, contributed to the higher than expected income for the federal treasury.

Congressional estimates of the surplus, as calculated by the Congressional Budget Office (CBO), are due to be updated later this month before the president presents his fiscal 2000 budget in February. In November, the CBO projected a \$63bn surplus for fiscal 1999. in the context of the over-

all \$1,700bn US budget, the surplus is small. But it is producing a political quan-dary for Mr Clinton and the Republican-led Congress as the two sides square off over budget priorities.

Surpluses are expected to total more than \$1,500bm over the next decade. With the Social Security retirement system bound for insolvency by 2032 if nothing is done to restore it, the administration says saving Social Security is its number one domestic priority.

Many Republicans, however, wish to see the surpluses used to finance tax cuts. And many sconomists have urged the government to use at least a portion of

'We can't go out and spend the surplus today. We have to plan for the future'

the excess money to pay down some of the \$5,500bn national debt • Sales of new homes in the

US hit a new record in November, the government reported yesterday, as ample job opportunities and soar-ing levels of consumer opti-mism fuelled sales increases

The Commerce Department said that new home sales jumped 7.6 per cent to a seasonally adjusted annual rate of 965,000 following an upwardly revised 6.4 per cent gain in October to 897,000 instead of 851,000 as

previously reported. The monthly sales rate during November eclipsed Wall Street economists' forecasts for a gain in sales to 873,000 a year and under demand in the domestic

### Accord nearer in basketball dispute

By Richard Waters in New York

An 11th-hour compromise yesterday looked set to save basketball from becoming offs, time was running out to the first professional sport in the US to lose an entire sea-

son to a labour dispute.

It also promised to limit some of the damage suffered by NBC, the television network owned by General Electric, which has relied on the sport for some of its biggest audiences and highest dvertising rates. The National Basketball

whether to call off its entire basketball season. season. A lock-out by team owners, prompted by a dis- divided over how to share pute over pay, has meant the nearly \$20n in revenues that no games have been that the NBA expects to genplayed since the season's cheduled start last October.

league games scheduled to run only until April, leading to the widely followed playmount a serious season.

The threat of losing the play-offs appeared yesterday to have been enough to draw the two sides far enough from their positions to reach a compromise. The knockout games at the end of the season draw by far the biggest television audience, contributing an estimated twothirds of all the advertising Association had set today as revenue that NBC would a deadline for deciding normally generate during a

The two sides had been erate this year, most of it

#### **GLOBAL FINANCIAL MARKETS**

The power to put you first

www.natwestgfm.com

NatWest GFM comprises the Global Foreign Exchange, Currency Options, Structured Derivatives, Emerging Markets and Money Market business of the NatWest Group NatWest Global Financial Markets, 135 Bishopsgate, London EC2M 3UR, England. Telephone +44 (0)171 334 1000, Facsimile +44 (0)171 375 4006

INTEREST RATE RAISED

time since 1975.

**NEWS DIGEST** 

Taiwan tries to ease life

for hard-pressed banks

Taiwan threw another lifeline to its banks yesterday,

amid faltering confidence in the financial markets.

hoping they would pump loans into the slowing economy

Central bank vice-governor, Shea Jia-dong, said the

bank was raising the interest it pays on blinks' mandatory

reserve accounts to 3.2 per cent from 2.7 per cent. The

bank had increased the rate on November 16 for the first

Mr Shea said adjusting the interest rate on mandatory

reserves was preferable to cutting reserve requirements as

"Banking system liquidity is already loose, so it's not the

"But [the move] will lower banks' funding cost and alleviate

businesses and individuals' interest rate burden on loans."

He said the rate increase, which takes effect on Thurs-

it would more directly help the banks rather than the

proper time to cut reserve requirements." Mr Shea said.

day, would boost banking system liquidity by TS93.2bn

(US\$2.9bn), or an average of about TS3.2bn per bank.

Asia's recession has slashed demand for Tanvan

exports, helping to slow the island's 1998 economic

Anti-smuggling force set up

China has set up a 6,000-strong police force as part of a

battle against rampant smuggling, state media said yester-

end of June. "The fight against smuggling is a senous economic and political issue," the official China Daily quoted

day, with another 4,000 officers joining the force by the

The People's Daily quoted Mr Luo as saying the new

force should "investigate to the end" regardless of who is

warned members of the new force against becoming corrupt themselves. One of the reason for the new force is

doubts over the financial probity of existing customs offi-

The crackdown on smuggling has targeted the People's Liberation Army (PLA), police and other government organisations which use access to ports and other official privi-

leges to evade duties. The PLA, police and the judiciary

part of the crackdown on smuggling. Reuters, Beijing

have been ordered to surrender their business empires as

behind a smuggling racket or how powerful he may be. He

stimulus schemes. Reuters, Taipei

**CHINESE SPECIAL POLICE** 

state councillor Luo Gan as saying.

growth to 5 per cent or less from a more typical 6.77 per

cent in 1997. The government has enacted a series of

measures to jumpstart the slowing economy and halt a

sharp decline in share prices, ordering a US\$6bn acceleration of infrastructure projects and forming a USSS.8bn stock stabilisation fund in addition to various monetary

money market, which already is flush with liquidity.

### China lowers growth hopes

By James Kynge in Beifing

China's finance minister, leave no room for onti-Xiang Huaicheng, yesterday mism," Mr Xiang said in a the country's economic prospects this year and forecast that an increased budget deficit would be needed to spur economic growth.

He said export growth was expected to be low or nega-Asian economic crisis, while weak demand and troubles in the state enterprise sector would add to pressure on the economy. According to official figures, the Chinese economy grew at 7.8 per cent in 1998, down from 8.8 per cent in 1997. Many econoures overstate reality by sev-

economic situations in 1999 Chinese government will continue to pursue proactive fiscal policies, which would necessarily increase the budgetary outlays to a certain extent."

Mr Xiang's remarks reprenomic prospects in 1999 yet heard by a senior leader. He forecast a budget deficit this year of RMB105.3bn (\$12.7bn), up from RMB96bn last year, but added that the deficit could well be higher than his prediction.

Last year's deficit was ini-

into account RMB50bn of a stimulate growth. The fact RMB100hn special infrastructure bond issue in August. ing a fiscal relaxation is an Mr Xiang's RMB105.3bn forepainted a bleak portrait of statement. "Therefore the cast for this year's deficit cerued Beijing has become includes the RMB50bn left from the bond issue. It is possible, finance min-

istry officials said, that extra rate the economy. Succesbonds would be issued this year for another fiscal stimulus package, thereby adding tive in 1999 as a result of the sent the most downbeat to the deficit. Mr Xiang Asian economic crisis, while assessment of China's ecomoved to allay fears that moved to allay fears that such deficit spending could that the economy was in a deflationary phase. China's retail price index was 2.6 per cent down in 1998, compared with a year earlier.

said late last year that China tially set at RMB46bn but would not resort to new fiswas expanded after taking cal initiatives in 1999 to banking system.

that Mr Xiang is now proposindication both of how conover its bleak future, and that it lacks alternative tonics with which to reinvigoproven largely ineffective.

Mr Xiang said China was also expected to increase its issue of treasury bonds from RMB280bn last year to lead to inflation by noting RMB316.5bn this year. He added that Beijing was unlikely to launch a bond issue to recapitalise the troubled state banking system this year, but did not rule it Several senior officials out. Last year, the government issued RMB270bn in bonds to recapitalise the



cent of gross domestic prod-

increased budget deficit fore-

cast this year have intensi-

### Industrial parks' tax perks to be phased out

China threw into doubt yesterday the future of 44 important industrial parks across the country, including a US\$20bn Singaporean flagship project trumpeted by the city-state's leaders as the optimum way for foreign manufacturers to enter the unpredictable Chinese mar-

An announcement by Xiang Huaicheng, the

tax perks enjoyed by the industrial parks appeared set to jeopardise the revenue stream of the companies that run the "economic and technology development zones".

Mr Xiang said the central government would either withdraw or reduce over time the 100 per cent rebate the zones have received on value-added and consump- lysts said. With time, howtion tax that they should pay ever, the zones' management to the government. Because these two taxes have been collected by the companies

rebates have constituted an important source of revenue. But although the disappearance of this revenue is expected to hit the companies running the parks, it may not have any direct impact on the thousands of

many foreign companies which occupy the zones, anacould seek to recoup their lost income by raising fee charges to tenants, the ana-

playing field for all companies in China. "When [for- enues shrank from 35 per eign companies] made the investments, we told them to uct to 11 per cent. A signifi-prepare for equal competi-cant fiscal stimulus package tion one day. Of course, enterprises - including when that day arrives, they will suffer losses and start complaining." Mr Xiang said. "This is normal."

The withdrawal of tax Under the new rules, the perks for industrial zones central government will was also motivated by an withdraw rebates for zones acute shortage of central which have been set up for government revenues and 10 years or more. For those

Mr Xiang said the move the relative shrinkage of established five years ago. it would help create a level China's tax base. Between will reduce the rate to 75 per 1978 and 1995, budgetary revcent in the eighth and zero in the ninth. The Singaporean park in launched last year and an

Suzhou, near Shanghai. being developed by a government-linked consortium over fied the need for fiscal reve- a 20-year period, is to receive special treatment. Its rebate rate will fall from 1999 to 80 per cent, 60 per cent in 2000 40 per cent in 2001, 20 per Mr Xiang said.

### Gitic creditors called to meeting

By Louise Lucas in Hong Kong

Guangdong International Trust and Investment Corp (Gitic), the Chinese investment agency, has called a ent. meeting of creditors on Sunday following its closure on October 6.

Bankers said yesterday it was unclear whether or not Gitic's closure sent jitters Gitic would on Sunday issue repayment guidelines, which some had expected to come out yesterday after the dead-

creditors would be informed of "the liquidating situation of Gitic assets and liabilities," according to a recipi-

Last week it emerged that Gitic had debts in excess of \$2.5bn, higher than the original \$2bn market estimates. remain wary. through the banking com-

Following Gitic's closure, there has been far greater uncertainty: while Beijing has said that registered debts will be repaid, and that foreign creditors will be made a priority, until guidelines are issued bankers

That wariness has grown in the three months since munity, as the provincial Gitic was closed, particularly government backing of as China faces other prob-"itics", or investment agen- lems, including a deceleraline for registering their cies, had previously been tion in economic growth and exposure had elapsed. The regarded as a cast-iron the upheaval of restructur-

faxed invitation merely said guarantee of repayment. ing its state-owned sector. Moreover, the status of some loans is unclear, such as short-term credit lines and loans to Gitic's overseas subsidiaries.

> Yesterday Standard & Poor's, the US credit rating agency, lowered its ratings for Guangdong Enterprises (Holdings) - which also has the backing of Guangdong provincial government - following its proposal to freeze principal repayment on its debt obligations until April



FINANCIAL TIMES Conferences

### **NEW MEDIA AND BROADCASTING**

The 17th Annual FT World New Media and Broadcasting Conference

3 & 4 March 1999, London

The 17th Annual FT World New Media and Broadcasting Conference will discuss the continuing development of the digital market from both a European and US perspective, six months after the launch of the UK satellite and terrestrial digital platforms. Select heads of industry will discuss post-launch experiences; market opportunities for new entrants; the impact of competition on the existing networks; new technologies; regulation gatekeepers and convergence; finance; and interactive services amongst other topics.

DISTINGUISHED SPEAKERS INCLUDE

Munuging Director

Sky Entertainment

Mr Tony Illsley Chief Executive Televest Communications plc Mr Romain Baosch

Chairman of the Management Committee Société des Européenne des Satellites

Mr Miles Film

Mr Martin Baneemann

Mr Peter Rogers

| J & 4 March 1999, Hotel II          | nter-Continental, London                            | Please send me code   |
|-------------------------------------|---|---|
| Hrites Hessiths Dr                  | First Name  | Please reserve one p  £ (051 63 (£895 00 +                              |
| Pariting                            |   | Phase reserve one p Broadtesing delegan                                 |
| Debrinssie                          |   | This special rare is at Please note that as                             |
| Company/Organisation Address        |   | To pay UK VAT at 1  Chaque enclosed ma                                  |
|                                     |   | · · - Card Number   |
| Postcode                            | Сомпау  | Espery Date   |
| Tel                                 | Fas   | I CONFIDM SHAFT I HAVE READ   |
| E-Mail                              | Type of Business                                    | Signature   |
| Cata Protection Act The information | a you provide will be held on our distable and stay | Cancellation Policy Conc<br>be used to keep and will be subject to a 20 |

是一个时间,我们就是一个时间,我们就是一个时间,我们就是一个时间,我们就是一个时间,我们就是一个时间,我们就是一个时间,我们就是一个时间,我们就是一个时间,我们 1995年,我们就是一个时间,我们就是一个时间,我们就是一个时间,我们就是一个时间,我们就是一个时间,我们就是一个时间,我们就是一个时间,我们就是一个时间,我们

daca at the rath of UR, VAT at 17.5% | Euro 1515.75 (Euro 1290.00 - UK VAT at 17.5%) date at the special reduced rate for a previous FT New Modia and JK VAT at 17.5%) [iEuro 1386.50 (Euro 1180.00 + UK VAT at 17.5%) olid until Wednerday, 20 January 1999

To register NOW fax this form to us on: +44 (0)171 873 3067 or visit: www.ftconferences.com FT Conferences, Number One Southwark Bridge, London SE1 9HL, UK Tel: +44 (0) 171 873 3000

### Japan sees fall in construction orders again

The crisis in Japan's construction sector deepened in November, in spite of the thousands of billions of ven in public works projects, figures released yesterday by the government revealed. Construction orders in the

plummeted 21.3 per cent in orders. November in the 11th consecutive month of year-onyear declines, according to data published vesterday by the construction ministry's economic analysis unit.

19.7 per cent to Y638bn (\$5.7bn), while public orders slipped 14.7 per cent to running.

were among manufacturers period last year for the unemployment problem. eighth month of slowdown -Although orders from the a marked increase of bankcentral government jumped ruptcies in 1998, employs impact of economic stimulus packages approved by Keizo plunged 28.2 per cent com-

cions that regional munici- worst recession in the postpalities, facing a deepening war period.

try's prolonged recession, are not spending funds allo cated by Tokyo for public works.

government's injection of orders for roads, water treatment facilities, and power plants - which were traditionally areas the government relied on to support regional economic activity public and private sectors all showed a contraction in

Osaka, the Tokyo metropolitan area and Kanagawa, a prefecture located next to the capital, are staggering under huge debt burdens as sector, which account for ment policies over the past more than half of total con- several decades that struction demand, slumped required the issuance of bonds to support public

Local governments, facing Y362bn for the second month a contraction in tax revenues, are increasingly reluc-The most striking declines tant to borrow any further. A continued slump in con-- where orders collapsed 53 struction orders is also likely per cent against the same to add to Japan's growing

With the jobless rate Obuchi, prime minister, already at a record 4.4 per local government orders cent, the data are likely to put additional pressure on pared wiht the same period the Obuchi administration to introduce new measures to The data confirmed suspi- pull the economy out of its

Several regions, including

works projects.

This is because the conand regional governments. struction sector, which saw 15.8 per cent, reflecting the about 10 per cent of the total workforce.

BANGLADESH POLITICS Parties unite over election

Three Bangledeshi opposition parties yesterday announced a tactical alliance to try to force the government of Sheikh Hasina to call an early election. The Jatiya party, led by The ministry noted that the ousted military leader General Mohammed Hussain Ershad, and the Jamaat-e-Islami party said they were joining forces with the Bangladesh nationalist party, led by Gen Ershad's former enemy, Khaleda Zia.

The opposition parties threatened to boycott local elections due in February or March unless the government appoints a new chief election commissioner acceptable to them. They also demanded the release of three opposition figures charged last year with the killings of four former government ministers in 1975. David Chazan, Dhaka

HONG KONG

#### Tung rules out ministers

Tung Chee-hwa, Hong Kong's chief executive, yesterday ruled out the possibility of the territory adopting a ministerial system, at least in the short term.

Mr Tung was speaking after some politicians urged the territory to consider implementing a ministerial system. saying it could bring about more accountability and flexibility in introducing policies. Louise Lucas, Hong Kong

#### CAMBODIA

#### Illegal logging crackdown

Cambodia's prime minister, Hun Sen, yesterday ordered a tough crackdown on illegal logging. He ordered the police and military to use armed force if necessary to wipe out what he called "anarchic" logging.

"The armed forces must co-operate with the forestry authorities and other involved institutions. . . and use all means, including weapons, in the crackdown operation," he sald in a statement to government departments. His call came a day after the government said it would be seeking to secure \$1.3bn from international donors, concemed about unrestrained logging in Cambodia, at a meeting in Tokyo in February. Reuters, Phnom Penh

JAPAN POLITICS PM PRESSES TEAMS ASSIGNED TASK OF HAMMERING OUT POLICY PACTS

### Obuchi pushes for Liberals link

By Michiyo Nakamoto in Tokyo

Keizo Obuchi, Japan's prime minister, left Tokyo for Europe yesterday, with explicit instructions to key members of the ruling Liberal Democratic party (LDP) to finalise talks with the opposition Liberal party over forming a coalition.

time." Mr Obuchi told five LDP teams assigned the task Mr Ozawa put to Mr Obuchi of hammering out policy agreements with the Liberal

"We must establish a agreed by both parties. coalition government by the start of the regular Diet ses- issues remaining as obstasion. An agreement by the five teams is necessary for are the Liberal party's prothis." Mr Obuchi noted.

His remarks highlight the parliamentarians by 50 each uncertainty of the domestic in the Upper and Lower made in resolving the stalelong tour of France, Ger- play a bigger role in UN many and Italy.

With just 12 days to go has been acceptable under before the regular Diet ses- present interpretations of sion begins on January 19, Japan's pacifist constitution. friction. the prospective partners are

tious issues that have held ations are held between Diet from the LDP five years ago. up formation of the coalition members themselves, to as traitors. Further, Mr Ozasince it was first agreed in November.

Time and again, Mr Obuchi has had to reassure Ichiro Ozawa, Liberal party, stick to its policy agreements.

Already, the ruling party "I hope you do not drag has thrown out, whittled out the talks and take extra down or stalled on several of the original policy demands as conditions for forming a coalition government and which were supposedly

> The two most important cies to forming a coalition posal to cut the number of

The Liberal party is also

Diet questions.

Mr Ozawa also wants to system and reduce the number of public servants by 25 per cent. But there is strong resistance within the LDP to his proposals, making it difficult in consensus-oriented Japanese politics to bridge the gap.

Late last night, the two parties agreed to reduce the number of parliamentarians in the Lower House by 10 per cent, or 50, but no agreement was reached on reducing Upper House members by 50 as well, as demanded by the Liberal party.

Nor was much progress the role of the self-defence peacekeeping activities than forces. In addition to the policy gaps between the two parties, there is personal

terms over several conten- system whereby Diet deliber- bers, most of whom defected being.

replace the current process in which bureaucrats answer Diet overtiers. to as traitors. Further, Mr Oza- wa's return to the LDP fold that questions. within the LDP, between conservative members who introduce a vice-minister support the coalition and more liberal elements who oppose it.

Depending on how it unfolds, the coalition could hold the seeds to the LDP's implosion. But it is unlikely that the talks will break down altogether at this

Failure to form a coalition would spell political disaster for Mr Obucht, who has staked his personal reputation on realising the alli-

Neither does the Liberal party have much to look forward to if the coalition colpolitical situation he is-leavHouses of the Diet and allow mate over one of the most the party to be devastated in the party national elections which must be held before October

next year. The most likely outcome is that the two sides will cobble together an ambiguous Some LDP members still compromise putting off real hard pressed to come to calling for introduction of a consider Liberal party memunier insists

no policy will An main on track, gro

Will Mutual

.....

----

-

The same

Company

Carried To

....

Landa Control

\*\* \*\* \*\* \*\*\* \*\*\* \*\*\*

-

The second section is the second seco

Some of Albert in the

and the second of the second The same of the same of the market in the second A Company of -The second of the second

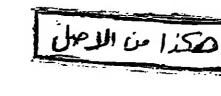
The same of the sa State West Comment - A CHARLETT IN THE PARTY NAMED IN 

> The second of the second The second second second The second of the second

in an in Stanfor Same Toronto

The second second -THE PERSON NAMED IN COLUMN TWO IS NOT THE OWNER. The secretary of the control of

A SECTION AND ADDRESS OF THE PARTY OF THE PA



# or hard-pressed. Liberty Mutual offshoot quits market

By Jim Kelly in London

PERSONAL RAISED

درون جو ويجم عم

Mark . what to ... IN SEC. LAND ...

Brown as a server and the server

MIGLADIESH PROPERTY

a la A Lei

arties unite over election

ing rules out ministers

egal logging erackdown

· Liberals link

7.4.

MIRSE SPECIAL POLICE

nti-smuggling force set up

The state of the s

Liberty Re, the wholly owned UK reinsurance subsidiary of Liberty Mutual Group of the US abruptly ceased operations yesterday in a bleak indication of the state of the London reinsurance market

The reinsurer, headed by ex-Mercantile & General Re chief executive John Engestrom, was set up in October 1996 with an initial capital base of £250m. "This is said the group was still fully symptomatic of the current committed to the London state of the market," said a and European primary mar-

pointed to a "background of overcapacity and underpricing" in the reinsurance market - with no sign of any improvement in the foreseeable future.

Liberty Mutual said current Libert Re policies will remain in force until their expiration dates and the company will meet all of its service and coverage commitments to policyholders.

Edmund Kelly, president and CEO of Liberty Mutual, leading broker. A statement kets through its direct UK

market for 35 years.

he had tried to create a new company in what mined out to be "an extremely difficult employs 29,000 people worldif not impossible market". wide in 500 offices and has benefited from rising stock Richard Hazell, chairman of more than \$47bn in consoli-Liberty Mutual Insurance dated assets, \$57bn in assets average return of 11 per cent Company UK will takeover responsibility for Libert Re operations.

Mr Kelly said yesterday Fortune 500. average of 9 per cent and estimates that the average that the group was willing to ● UK pension funds inflation of significantly less. fund now holds half of its Mr Kelly said yesterday commit capital when returns were adequate. "We are

at the Lloyd's market. It has patient but when it becomes market volatility and an markets generally but if you been in the subscription clear adequate returns are overriding sense of bearish look at what actually hapnot likely in the foreseeable Mr Engestrom will leave future we will redeploy capi-Liberty Re and Mr Kelly said tal and resources to more productive uses."

> The Boston-based group under management and, with \$11bn in consolidated revenue, ranks 132nd in the

> returned an average of more

promises but never returned.

inaccessible Knowdart estate

on the mainland changed

being purchased by an entre-

defraud.

ness about world markets, pened in 1998 it could be one Jane Martinson writes.

Preliminary figures from

WM company, the performance measurement group, found the average fund had markets in the west. An for funds with some £450bn of assets under management compares with a 20-year Peter Warrington, a direc-

operations and its syndicates more than willing to be spite of third quarter stock has been very bearish on the

of the best years yet." The strong performance came in spite of the fact that the average fund expected market corrections in the period. Funds continued to reduce their holdings in UK equities last year, the largest part of their portfolios, largely as a result of bearishassets in UK equities, the than 14 per cent last year in tor at WM, said: "Everyone lowest level for 10 years.

#### **NEWS DIGEST**

CAR INDUSTRY

#### **Output at Nissan factory** rises by 6.3% to record

Output at the Nissan plant in north-east England, Europe's most productive car factory, increased by 6.3 per cent last year to a record 288,838 vehicles. In 1986, its first year of production, it made 5,139. Nissan said the 1998 record resulted from strong European demand following the introduction of a new Primera estate car and a newly-styled version of the Micra. Since 1986, Nissan has spent £6.8bn (\$11.4bn, 69.5bn) on components with 200 European suppliers, 70 per cent in the UK. The plant has been judged Europe's most productive for two years in succe the Economist intelligence Unit. In 1997, the plant made a £77.3m pre-tax profit.

 VA TECH Reyrolle, a north-east England manufacturer of transmission and distribution equipment acquired by Austrian-owned VA TECH from Rolls-Royce last Septem ber, has announced 90 redundancies. It blamed the Asian market downtum, sterling's continuing strength and the UK government's moratorium on gas power station building. Chris Tighe, Newcastle upon Tyne

**UNIT TRUST SCANDAL** 

#### Ex-MGAM chief reprimanded

imro, the fund management watchdog, ended its role in the Peter Young unit trust scandal yesterday with a repri-mend for Keith Percy, former chief executive of Morgan Grenfell Asset Management, an offshoot of Deutsche Bank. A reprimand is the weakest form of public censure imposed by Imro. The affair came to light in September 1996 following the discovery of serious irregularities in the running of unit trusts managed by Mr Young, the former star fund manager. Mr Percy, sacked by Morgan Grenfell in 1996, said he "accepted the proper responsibility which must fail to the person in charge of any business when something like this happens". But he added that the Imro investigation led him to conclude that chief executives should not rely on their management team or compliance staff. Imro retorted: "You can delegate functions and responsibilities but you can't abdicate all responsibility". In settling the case, Mr Percy agreed to four regulatory breaches that largely involved a failure to check that investment irregularities were adequately dealt with. Yesterday's announcement allows Mr Percy to resume a fully registered job. He is set to become a director of SG Asset Management, Jane Martinson, London

#### **GOVERNMENT SPENDING**

#### MPs attack defence contracts

The Ministry of Defence is severely criticised today by the House of Commons public accounts committee, which says a £3bn (\$5bn, €4.2bn) cost overrun on 25 big procurement projects is "unacceptable". The committee complains that the MoD "could give us no sense of the speed or scale of improvements they hoped to achieve in relation to cost control". It attacks the ministry for falling to extract adequate damages from contractors for problematic equipment. The ministry, acknowledging the PAC had found "management of major projects is weak in almost every respect", said its streamlined procurement initiative was tackling the weaknesses. Alexander Nicoll, London

### Scottish land reform stirs old emotions

Plans to make it easier for communities to buy estates on which they live will be among the first proposals the Scottish parliament will examine. James Buxton reports

government intends land reform to be one among the communities which, or so first legislation passed by most Scots consider, should reform to be one among the the country's new parliament, to open this year in Edinburgh, the capital.

Most Scots live in towns, and tension between landowners and local people is rare in the thinly populated countryside.

But land ownership remains a highly contentious issue. This is partly because of the notorious "Highland clearances" in the 19th century, which saw hundreds of thousands of people evicted or encouraged to leave the land on which their ancestors had often lived for centuries for the cities, or countries such as Canada and the US. In many cases families had built the homes which were often burned and demolished to many opportunities for new create large estates for sheep farming which replaced the traditional cattle-rearing

Jim Hunter, chairman of Highlands and Islands Enterprise, the economic development body for the

t is a measure of the emo- "Scots as a whole continue tion aroused by land own- to blame landlords both for ership in Scotland that the the clearances and the subsequent disintegration of have been permitted to sur-

There is also indignation at a system under which about 90 per cent of rural Scotland is in the hands of

Scotland and Northern Ireland have a "unique opportunity" to forge close working relationships under the Northern Ireland peace agreement, the UK government believes. Donald Dewar, chief minister for Scotland, and Mo Mowlam, Ireland, said the planned British-Irish Council offered relationships within the British Isles. The ministers

Ms Mowlam said it was important to develop new relationships to "boost

for many Scots by the fact land's occupants.

Resentment has grown in the past decade, fuelled by a few landlords whose actions attention. The small and picturesque

island of Rigg, off the west

Republic of Ireland. She

for strengthening the links

between all parts of the

Ireland." She stressed the

close family and historical

Northern Ireland and said

Scotland's parliament will

work - should visit Northern

she was keen that the

the details of how

Ireland to exchange

links between Scotland and

consultative steering group -

United Kingdom and

Minister stresses links with N Ireland common interest\* and share

met in Glasgow, Scotland, to discuss preparations for the Scottish parliament.

north of Scotland, has said: co-operation on lesues of

that some of these owners are English rather than Scottish, or from continental Europe, the US or the Middle East. They are often absent from their properties for all but a few weeks a year and trade their properties at high prices over the heads of the

Eigg has now been acquired by its inhabitants and a bid is being put together at Knoydart, in both cases with outside backing.

The measures outlined by

the government this week should make it easier for community groups to purchase the properties they inhabit by depressing prices deas on issues that affect and making funds available all parts of the UK and the from the National Lottery's New Opportunities fund. added: "I am convinced that Donald Dewar, chief ministhe British-Irish Council will ter for Scotland, said it was not necessarily a policy "to become an important forum break up the great estates, but clearly there will be Residents' groups would

have the right to buy estates on which they lived, when they came on the market, at a price set by a governmentcinted valuer. This price an all-party body drawing up could be lower than another purchaser's offer. The outcome could over

time be a reduction in the number of private estates that cover much of rural



Scotland, especially in the Highlands.

The Scottish Landowners' Federation said the mearesponse - for which there was little public support - to a few cases of bad landlords. It cautioned against the government using taxpayers' money to buy properties that were not economically via-

It also questioned what criteria would be used to determine whether a landowner's behaviour merited the compulsory purchase.

Others question how widely the measures are likely to be implemented. "Very few estates will appeal to their local commu-

nities," says Colin Strang Steel, a specialist in country property with Knight Frank, the estate agent. "Even if community groups can buy them cheaply, who is going to pay to keep them going? It's a well-known fact that Highland estates lose a packet."

He also said it would be unfair for landowners to have to sell their land at a price dictated by a government valuer rather than market value. "It's not very different

from nationalisation," he This article is the third in a series about the onset of regional assemblies in the

### Euro policy will | Anti-republican remain on track, group bombs premier insists

Tony Blair, the UK prime that the resignation from his government last month of Peter Mandelson, an enthusiastic supporter of the European Union, would weaken the government's support for monetary union. Mr Mandelson, a leading

Blair ally in the governing Labour party, quit after disclosures about a loan he had received from another minis-

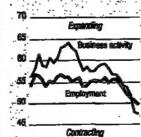
Stephen Byers, Mr Mandelson's successor as chief tions with Thabo Mbeki, trade minister, had been South Africa's deputy presiinstructed to deliver to big dent. He is widely expected companies the same message as that given by Mr Mandel-son: that the government • The UK's economic slowwas determined to make the down appears to have worsnecessary preparations for ened in the final weeks of joining the euro. But Mr last year, with one in four Blair also made clear he service sector companies would not be rushed into reporting a fall in their

to draw a line under his govby insisting his cabinet was tor was shedding jobs for the "ideologically united" and first time since the Chardenouncing suggestions of a tered institute of Purchasing and Supply began conducting the exchange of the exchange.

These domestic concerns

The institute surveyed 500

dominated the first day of companies, covering busi-his official visit to South ness conditions in nearly a Africa, the primary purpose of which is to cement rela-



1995 97

to succeed Nelson Mandela workload during December, The prime minister tried Richard Adams writes. The to draw a line under his gov-ernment's worst two weeks industry also found the sec-

third of the UK economy.

BRITISH PSYCHOLOGICAL SOCIETY RESEARCHERS REPORT SHIFT FROM EUROPEAN APPROACH

see editorial comment

# NI sports club

paramilitary group yester- ment saying: "Our members day claimed responsibility are practising Protestant for a bomb attack on a worshippers. We are pre-Gaelic football club in Northern lreland.

in the centre of the region. It Catholics have nothing to was the second bombing feer from us, but the true claimed by the Orange Vol-unteers, whom republicans venience for the vehemently anti-republican Loyalist Volunteer Force. Last month the LVF

ecame the first terror group in Northern Ireland to start dismantling its arsenal, without an escort.
when it delivered a number The Brinks-Allied of guns to the international decommissioning body for destruction. But Sinn Fein, the political wing of the Irish Republican Army, says the rammed. Five men loaded Orange Volunteers is a front some of the contents into for the continued activity of the LVF, which is nominally

booby-trap bomb in the grounds of the club in County Londonderry. It mander who drinks in the republican paramilitaries.

A dissident "loyalist" November, it issued a stateand if it comes to the crunch One man was injured in we will assassinate the enethe explosion at Magherafelt mies of Ulster. Ordinary

enemies will be targeted."

Meanwhile the governaccuse of being a flag of con-ment of the Irish Republic was criticised after it emerged that a security van from which thousands of pounds were stolen on Monday had been travelling through Dublin, the capital,

The Brinks-Allied security van contained IR£1.2m (\$1.8m, €2m) cash after collecting money from up to 30 banks in Dublin when it was their getaway car, which then broke down, prompting them to steal another car The group said it planted a and shoot the man inside who resisted. He was not

seriously hurt.
Police suspect the Contiexploded at midday yester- nuity IRA - the only republiday, slightly injuring a can paramilitary group not workman. The Orange Vol- on ceasefire – may have uniters last month said a been behind the robbery.
bomb attack on a bar had The men were flak jackets been "an attempt to assassi- and carried AK 47 rifles - a nate a senior IRA com- weapon associated with

### ANUARY 1999

ALFRED DUNHILL SALE STARTS. 48 JERMYN ST.

12



ROYAL EXCHANGE

JERMYN ST. SALE ENDS

### US management ideas 'take hold' By Richard Doukin in Blackpool 1980s have disappeared, differences still remained, more frequent profit reporting, a concentration on she added. British managers are 1980s have disappeared, she added. "American managers like shereholder value and con-

parts and moving away from and Barbara Senior, a man-ordered way. They have mance; the report added. European management agement lecturer at Nene-manuals on everything and The study found far more styles, researchers reported University College, North-

The study, published at Society's annual occupa- utation of UK managers with consultation and participa- said, maintained a strong society's annual occupa- distinct of the meritocratic hireence, looked at the manage and fire culture of their US terparts," said Ms Senior. ment styles of 310 US and counterparts, said Ms Senior. But systemised manage-

emulating their US counter- Loughborough University to work in a systemised, cerns for short-term perfor-

The study, published at the "quaint and clubby" repthey are less concerned with French, in particular, she European managers.

Many of the differences between UK and US management of the differences between UK and US management of the US model. But towards the US model But towa

still have a hankering and continental European Earlier studies contrasted towards bureaucracy and management styles. The

"If I was lecturing in Changing attitudes in the ment had now taken hold in France I wouldn't carry my ALFRED DUNHILL LONDON

FOR FURTHER INFORMATION TEL: 0171 290 8600

ibute to itcheock

# 66 [ 30 ]



如果是一种的,我们就是一种的,我们就是一个人,我们就是一个人,我们就是一个人,我们就是一个人,我们就是一个人,我们就是一个人,我们就是一个人,我们也会会会一个人, 1996年,我们就是一个人,我们就是一个人,我们就是一个人,我们就是一个人,我们就是一个人,我们就是一个人,我们就是一个人,我们就是一个人,我们就是一个人,我们

صكذا من الاجل

oward at his mos

THE MACABLAS

IRVATION AL COLORINE

ide

MERDIN

CONTINUES.

And the contract of

TO SERVICE STATE OF THE PARTY O

The second secon

A SAME BY MARKET

II I VIET HE

Annual Control

### A colourful tribute to Hitchcock

Nigel Andrews confesses that he had become all steamed up over nothing

opinions that way - charge!" He should never say, "Men, we go that way; on second thoughts it might be better this way; hang on, let me think about this a moment." Before you know it Napoleon has become Hamlet, and to mix Shakespeare plays I-dare-not waits upon

Take Psycho. How can anyone have a simple opinion about the most complex

**PSYCHO** Gus Van Sant

LITTLE VOICE Mark Herman

Darren Aronofsky

THE SIEGE **Edward Zwick** 

cine-proposition of the moment? When Gus Van Sant announced his decision to remake Hitchcock's classic shot for shot, though updated, re-cast and in colour, commentators including me went into flabbergastedof-Fleet Street mode. What's the point? What a nerve.

What an idea. And so on. Then a few brave countersouls said, "Hey, man. But it's just like a film equivalent of conceptual art. It's the thought that counts'." We were prompted to see Psycho as cinema's equivalent to a shark in formaldehyde, upsetting but also intriguing, challenging and

Such voices have a point. This oddity from the maker of Drugstore Cowboy, My Oum Private Idaho and Good Will Hunting is all those tier blockhouse in brick, things, though it seems to grime and stunted gable. me more like an Andy Warhol soup tin: devoutly lookalike, defiantly gnomic, Since people don't see Hitch-

A film critic feels he must be any more, just on TV or like a military commander. video, why not let them have "Men, we shall take our a large-screen experience refashioned for the late 1990s? The original will still be around: it is preserved. inter alia, in the Library of Congress.

The changes made by Van Sant are few but multi-directional. Instead of Janet Leigh's boldly defined Marion Crane, a late 50s sensualist with a dash of pre-feminism, we have Anne Heche playing a jittery Miss Town Mouse who decides to jump the treadmill. By contrast, Anthony Perkins's masterclass in flakiness as Norman Bates - a virtuoso with twitches and stammers is replaced by Vince Vaughn's more muted modern-day anti-hero, with his leaky-tap giggle, batrachian eyes and subtly upturned top lip. (Van San lights from below to pick out this fea-ture, half-sensual half-sinis-

Meanwhile John Gavin and Vera Miles, supersquares in the first film as Marion's boyfriend and sister, are improved on by creepy he-man Viggo Mortensen (of A Perfect Murder) and counter-culturish Julianne Moore, trailing clouds of neurasthenia from

Safe and Boogic Nights. Everyone who dies does so Hitchcock-style, from Heche expiring in the shower in a stroboscopy of rapid cutting, to William H. Macy's detective Arbogast walking backwards down the stairs pursued by a kitchen knife. Van Sant sometimes inserts a grace-note, like the cut-ins of stormy cloudscape in the shower scene. And the Bates house is not the Gothic folly now cheapened by familiarity (you can still see it on the Universal Studio tour) but a drabber, darker, nas-

I found the film absorbing. Colour alone lends a new dimension. Van Sant has heraldic fun pitting the crime-enhanced new dawn of bility. The logic is sound too. Marion's life - nervously assertive in a costuming of



the greens of Norman, evok-By finale time, when the police psychiatrist (a nice turn from Jackie Brown's Robert Forster) delivers his over-explication of Norman's mind - a speech treated here, as surely in Hitchcock, as a joke - and Norman does his "won't hurt a fly" skullgrin, we feel anything but cheated. This Psycho pays the old Psycho the tribute of not letting it alone. Any durable classic should be able to withstand time's bombardments of homage. satire, pastiche, even aesthetic vandalism. And whatever else Van Sant is, he is no vandal.

Little Voice is written and directed by Mark Herman, of Brassed Off, from the hit the first word must have

felt assaulted by everything, ing nature and/or mildew. from Brenda Blethyn's banshee mother - the Yorkshire accent could be prosecuted for criminal ear damage - to the sentimental convulsions of a plot in which reclusive but impersonation-gifted daughter Jane Horrocks "finds her voice" one night on a club stage but won't go back again and be exploited. having also found (ahh!) her soul. She can now burn the Garland, Dietrich and Bassey records that she and her late-worshipped father so Michael Caine has a whale

of a time as Horrocks's brief agent-manager, while every-one else in the cast ends up beached. Caine knows how to avoid being thrown in on the tide of mushy inspirationalism. He looks born to play by Jim Cartwright. I vulgarity, especially in his never saw this hit play but gold medallion and floral behind stock market movedressing gown ensemble, yet

includes Ms Horrocks, tiresomely timorous except with the showbix vocals, and Ewan MacGregor flitting through briefly as her pigeon-rearing admirer. Pigeons - get it? Flight and edom? Symbolic? It is that kind of film.

Pi is a movie about how

mathematics can drive you mad, made on a budget any producer could stay same with: \$60,000. Whether writer-director Darren Aronofsky stayed same is another matter. The film looks like a Rorschach test gone berserk. Black and white photography, spider-trampled in appearance, is the medium for this fable of a semicrazed maths wizard (played by co-scenarist Sean Gullette) who is convinced that complex number patterns lie ments. In turn a giant of Bill Clinton, the rest of

number sequence defines the very identity of God. Pi was all but guaranteed

cult status after winning Best Director prize at the barometric Sundance Film Festival. It is a mess, but a mess with panache. It labours the obvious: real bugs symbolising computer bugs, a milk spiral in coffee once again standing in for Chaos Theory. (Could someone please find a new image.) But it also enjoys its silent-movie looks, its richly gestural acting and what seems a genuinely passionate obsession with the wisdom of Pythagoras. You do not get that kind of amour fou in the average popcorn

New York falls victim to Islamic terrorism in The Siege and calls in the army. Head-and-shoulders TV shots

rap out presidential soundbites. And Denzel Washing ton (FBI). Annette Bening (CIA) and Bruce Willis (Army) squabble over who should take charge in fighting these guys with dishcloths on their heads (the script's ethnic slur, not mine).

This could have been an intelligent political action movie. We would like to know who controls America in a terrorist emergency. since compared to Britain the place is a virgin in such matters. But under Edward Glory Zwick's direction there is too much puffing and blowing and shouting; too many chases for their own sake; and too much of Willis, furrowing action-hero eyes to represent the comic-strip response to emergency while Washington and Bening try

- foolish, wistful folk - to

### Magical bonbons

BALLET

CLEMENT CRISP

The Nuteracker Lyceum Theatre, London

Birmingham Royal Ballet has been installed for a Christmas season at The Lyceum in London with, of course, The Nutcracker. This news might be greeted with some despair, were it not for the fact that Peter Wright's staging is so delightful, so apt, so sensitive, and that BRB's dancers give it such loving attention. I went to the matinee performance on Tuesday - just before Epiph any, when such Yuletide decorations should be taken down - and was as delighted as ever by what I saw. (The seeing of it by no means easy in the Lyceum, whose stalls are not well raked. Santa alone knows how some of the tots who were having their seasonal treat managed! Still, they had the consolations of the theatre's lurid decoration, all gilt and raspberry-sorbe blush, like Mae West's idea of Le Petit Trianon.)

Among the several delights of the performance - how well BRB's dancers maintain their, and our, Interest in the action - were the debuts of two young dancers in leading roles. The Sugar Plum was taken by Nao Sakuma, very pretty, very easy in style, delightful in setting out the dance. Nothing is asked of the interpreter save technical grace, and this Sakuma gave us without seeming effort. The dance was grateful and natural as bird-song. Charming the way she phrased and paced movement - and how good to see the authentic Ivanov choreography for the celesta-ringing solo - and irresistible her air of gentle authority in the part.

A happy debut. No less so that of Chi Cao as her cavalier. I have reported with much pleasure on Cao's dancing since his appear ance in a Royal Ballet School graduation performance a few years ago. Every role 1 have seen him take has been enhanced by a precise and admirably formed classic style. He is not tall for a balletic cavalier, but his dancing has grand dimensions, horizons, a largeness of means that are the signs of a true premier danseur. In the somewhat blank conditions of Nutcrucker's grand pas de excitement by the buoyant clarity of his dancing and by its beautiful finish - exact fifth positions; barmonious placing of the torso; true nobility. Here was dancing of rare academic distinction - to delight purists - but also warmed by the fire of theatrical expression. We can anticipate splendid things from him.

For the rest, the compahearted, warm-hearted. The full of magic, worked its spell, and at a season when Good King Herod's view of infant care seems especially formers from the Royal Bal-

### Coward at his most masterful

THEATRE

ALASTAIR MACAULAY A Song at Twitight - King's Head Theatre, London N1

The Noël Coward centenary is off to a bracing start with this revival of his seldom-seen but excellent 1966 play A Song at Twilight a play that is honest and morally precise where Coward was (in public) usually evasive and frivo-

This is one of Coward's few portrait-of-the-artist plays. At first, it seems like a 20-years-on variation on Present Laughter, his most sur-

The celebrated Sir Hugo Latymer, now entering old age, is seen at home: his wife Hilde doubles as his secretary; his old flame Carhandsome waiter is in attendance. The whole thing, at first, feels like a chamber-scale precis of known

Coward effects. Gradually, however, A Song at Twilight disarms the audience by becoming something quite unlike any previous Coward play. It is about character, sexuality, honesty, understanding, and repression; and it unfolds like something by Ibsen, full of suspense as it discloses the surprising past of

efire portrait-of-the-artist comedy. its protagonist and, more surpris- self exhausted when his energetic ingly, addresses the ethical and old flame Constance Collier revispsychological implications of ited him one evening and two, these disclosures.

What does happen next - I refer lotta is expected for dinner; a not to the actual plot but to its long repression and misogynistic implications - is that (a) Sir Hugo is revealed as a long-closeted homosexual; (b) his long years of denial and of vaunted heterosexual inclinations are shown to have turned his talent from a penetrating vision into mere effective-ness; (c) his cruel defensiveness is for example, Carlotta seems and Nyree Dawn Porter plays Car-ness; (c) his cruel defensiveness is unsure of whether Sir Hugo is lotta. Theirs are not ideal perforshown to have made him a friendless misanthrope.

The actual germs of the play were twofold: one, the comic story

the more sinister and long-term story of Somerset Maugham's lifepretence at heterosexuality. But Coward's handling of this basic material really shows him to have been what he was so long nicknamed: The Master.

now a profound or superficial artist. More important, the conclu- as an ill, old writer who has been sion - accepted by all present on stage - that Sir Hugo's one great

made public because it was squan-subtle and complex performance. marit" is really horrid. Yet one forgives them because Coward ends the play with Sir Hugo at is psychologically impressive, and The King's Head revival is

directed by a Coward expert, Sheridan Morley, and it holds the full attention. Everyone speaks their lines with unusual musicality, and the play blooms accordingly. There are a few imperfections: Corin Redgrave plays Sir Hugo mances: it is hard to see Redgrave repressing his gay core, or Porter as a femme fatale. But it is very of how Max Beerbohm found him-homosexual affair need not be touching to see that she gives a the more for that.

dered on "a creature of little As does Redgrave; both of them spring many expressive surprises in their delivery. There should be greater tension between them at last coming out of denial. No, this numerous points, and yet Porter is not a Gay Pride ending. But it makes a virtue out of her very fragility and short-breathed style. as does Redgrave from his blustery forcefulness

Matthew Bose has the physical and expressive style to make an ny's dancing was wholeimpression as the waiter; but one does not believe in a half-italian magic, and it is a staging who mispronounces "Giovanni". The evening's most splendid performance is that of Kika Markham as the put-upon but resourceful Hilde. How gratefully, in attractive, the child per-Coward's many Coward vehicles, Coward wrote for the non-Coward let School were well-mancharacters. One admires him all nered and well worth the more for that.

Orchestra: conducted by Michael

INTERNATIONAL

### Arts Guide

**AMSTERDAM** 

EXHIBITION Tel: 31-20-673 2121 The Festival of Lithography: celebration of the 200th anniversary of the discovery of lithography. The exhibition consists of works from the collection, including tithographs by Toulouse-Lautrec, works by Cezanne, Manet, and Dutch artists including Van Gogh; to Jan 10

CHICAGO **EXHIBITION** Art Institute Of Chicago Tel: 1-312-443 3600 www.artic.edu Mary Cassatt: Modern Women. 1125 paintings, drawings and prints by the only American invited to exhibit in the Impressionist exhibitions in Paris. Closely associated with Degas, Monet and Pisarro, in later life she became a celebrated collector and patron. The show will travel to Boston and Washington later this year, to

Jan 10

COLOGNE **OPERA** Oper der Stadt Tel: 49-221-221 8240 Die Vögel: first modern staging for Walter Braunfels's opera. Premiered in 1920, it was banned by the Nazis and largely forgotten until a recent recording. This production is conducted by Bruno Weill and staged by David Mouchtar-Samorai; Jan 8

COPENHAGEN EXHIBITION Louisiana Museum of Modern Art, Humlebaek Tel: 45-4919 0719 www.louisiana.dk Joan Miró: major retrospective of the Spanish Surrealist painter comprising 140 paintings. drawings and sculptures, including works borrowed from the artist's family since the exhibition was shown in Stockholm over the summer; to Jan 10

HAMBURG EXHIBITION Kunsthalle Kandinsky, Chagall, Malevich and the Russian Avant-Garde: show tracing the art movements between the Russian revolutions of 1905 and 1918, and focusing on attempts by artists to fuse aspects of folk culture with Western modernism. Many of the 100 works on display are on loan from Russian museums; to

Jan 10

LONDON CONCERT Barbican Hall Tel: 44-171-638 8891 London Symphony Orchestra: conducted by Ryusuke Numajiri in works by Saint-Saens and Tchaikovsky, as well as the UK premiere of Sofia Gubaidulina's The Canticle of the Sun'. Featuring cello soloist Matislav Rostropovich; Jan 13

EXHIBITION Victoria and Albert Museum Tel: 44-171-938 8500 Aubrey Beardsley: more than 200 drawings, prints, posters and books created during the brief period of the artist's fame. A member of the fin-de-siècle avant-garde, Beardsley left England for Dieppe following Wilde's disastrous libel action and subsequent imprisonment in 1895. The exhibition, which arrives in London after touring in Japan, marks the centenary of Beardsley's tragically early death, aged 25; to Jan 10

THEATRE Albery Tel: 44-171-876 1115 Mr Puntila and his man Matti: Kathryn Hunter's production of Brecht's satirical comedy moves from its October run in the Almeida Theatre to the West End. Comic duo Sean Foley and Harnish McColl play the title roles; Jan 7, 8, 9

AND THE RESIDENCE OF THE PARTY OF THE PARTY

Tel: 44-171-928 2252 Betrayat: by Harold Pinter. Trevor Num directs Pinter's 1978 play, with a cast including Anthony Calf and imogen Stubbs; Lyttleton Theatre; Jan 8, 9, 11, 12

LOS ANGELES

OPERA L. A. Opera, Dorothy Chandler Pavilion Tel: 1-213-972 8001 www.laopera.org Madama Butterfly: by Puecini. Conducted by Marco Guidarini and directed by Christopher Harlan. With a cast including Yoko Watanabe, Richard Leech

and John Atkins; Jan 10,:13

**NEW YORK** EXHIBITIONS Guggenheim Museum Sollo Tel: 1-212-423 3500 www.guggenhelm.org Premises: Invested Spaces in Visual Arts, Architecture & Design from France, 1958-1998. Exploration of the different ways in which artists have engaged with space. Display ranges across installation, film, video, photography and architecture. Includes works by Yves Klein, Le Corbusier, Louise Bourgeois and Sophie Calle; to Jan 10

Metropolitan Museum of Art Tel: 1-212-879 5500 www.metmuseum.org` " The Nature of Islamic Omament, Part II: Vegetal Patterns, Second in a four-part series on Islamic omament from the 9th to the

18th century. Includes rare brocades and carpets; to Jan 10

Pierpont Morgan Library Tel: 1-212-685 0008 Master Drawings from The State Hermitage Museum, St. Petersburg, and The Pushkin State Museum of Fine Arts, Moscow. 120 European drawings dating from the 15th to the 20th centuries, some of which have never before been exhibited outside Russia. Includes works by Rembrandt and Dürer, with particular emphasis on the modernists Matisse and Picasso; to Jan 8

OPERA Metropolitan Opera, Lincoln Tel: 1-212-362 6000 www.metopera.org Die Fledermaus: by J. Strauss. Revival conducted by Patrick Summers. Cast includes Carol Vaness, Jochen Kowalski and Bo Skovhus; Jan 9, 14 **PARIS** 

CONCERTS -Salle Plevel Tel: 33-1-4561 6589 Orchestre de Paris: conducted by Alan Gilbert in works by Ravel, Dutilieux and Schumann; Jan 7 Orchestre de Paris: conducted by Lorin Maazel in works by Weber, Debussy, Schubert and Ravel; Jan 13, 14

EXHIBITION Grand Patais

Tel: 33-1-4413 1730 Lorenzo Lotto: Rediscovered Master of the Renaissance, 50 paintings, many of them on loan from churches and museums in Italy; to Jan 11

PRAGUE THEATRE National Theatre of Prague Tel: 420-2-2108 0131 www.anet.cz/nd The Servant of Two Masters: by Carlo Goldoni. Directed by Ivan Raimont Jan 11

ROTTERDAM EXHIBITION Kunsthal Tel: 31-10-440 0300 Up to the bare bones: Human remains in museums. An estimated hundred thousand human beings find their last resting place in Dutch museums whether in the form of mummies. skulls, skeletons, reliquaries or otherwise. This exhibition is the first to address this phenomenon directiv, presenting exhibits from medical, sacral, ethnographical and archaeological collections; to Jan 10

SAN FRANCISCO CONCERTS Davies Symphony Hall Tel: 1-415-864 6000 www.stsymphony.org New York Philharmonic: conducted by Kurt Masur in works by Beethoven and Shostakovich: Jan 10

San Francisco Symphony

Tilson Thomas in works by Ives, Bernstein and Prokofiev: Jan 13, 14

WASHINGTON

OPERA Washington Opera, Kennedy Tel: 1-202-295 2400 www.dc-opera.org Die Entführung aus dem Serail: by Mozart. L.A. Opera production by Michael Hampe, conducted here by Heinz Fricke: Eisenhower Theater;

**■ TV AND RADIO**  WORLD SERVICE BBC World Service radio for Europe can be received in western Europe on medium wave

648 kHZ (463m) **EUROPEAN CABLE AND** SATELLITE BUSINESS TV

 CNN International Monday to Friday, GMT:

06.30: Moneyline with Lou Dobbs 13.30: Business Asia 19.30: World Business Today 22.00: World Business Today

Business/Market Reports: 05:07; 06:07; 07:07; 08:20; 09:20; 10:20; 11:20; 11:32; 12:20; 13:20;

At 08:20 Tanya Beckett of FTTV reports live from LIFFE as the London market opens.

SAMUEL BRITTAN **ECONOMIC VIEWPOINT** 

### Cracks in Wall St

The most wornying feature of the world economy is the future of a US boom stoked up by inflated share prices

The main economic query for 1999 does not concern the euro. It does not even concern the emerging economies or Japan. It concerns the US.

Indeed it is time western policymakers stopped lecturing Japan on what to do. That country accounts for about a sixth of the output of the industrial world. Its exports amount to less than 9 per cent of its gross domestic product. Over the years, US hectoring of Japan has had a negative influence. Professor Ronald McKinnon has argued that: "American mercantile pressure on Japan from 1971 to 1995 to yet the yen up, and fear that that pressure may return, is the root cause of Japan's current deflation and

Whether or not it is "the ruot cause", the appreciation of the yen from Y300 to the dollar in 1971 to around Y100 រោ 19ម៉ាំ, partly under US prodding, did indeed make an important contribution to Japan's current malaise. Prof McKinnon is, in any case, right to argue that the dollar exchange rate cannot be used as an "instrumentai variable" for reducing the L'S current account deficit which mainly reflects extremely low saving in the US itself

It would, in fact, be unfortunate if US savings behaviour were abruptly corrected. For what happens in the US is make-or-break for the world economy this year and next. The US ecunomy is twice the size of Japan's. Like Japan, it is a continental economy. But the US has a much greater effect on the rest of the world. Wall Street's ups and downs, for instance, usually trieger large sympathetic movements in other stock exchanges.

The US boom has been fed by a record rundown in the financial balance of the private sector. The deterioration has been in the entire private sector and not just in personal finances. The rundown has been sustained, up to now, by portfolio appreciation due to

the rising level of stock prices. As Andrew Smithers has pointed out.\*\* the large buyers of equities, who have been keeping the market up, have been US corporations buying their own stock or engaged in takeover The US Federal Reserve now faces a classic dilemma. Should it tighten policy to let the air out of the Wall Street boom or should it

loosen policy for fear that alarms about emerging markets and falling domestic confidence might already be sowing the seeds of recession? Most forecasting organisations expect US growth to slow from about

3': per cent in 1998 to 1!: per

something with which the

cent in 1999. This is

world can live. It would, indeed, be a healthy reaction to excessively rapid growth in the past. It is the fear that Wall Street prices are much too high, and could therefore snap, that produces the risk that the US could experience a serious downturn rather than a benign slowdown. The Organisation for

Economic Co-operation and

Development has studied many different estimates of the effects of Wall Street on the level of spending in the US. The remarkable consensus is that a 20 per cent fall in US equities could lead to a drop in consumption of about 0.7 per cent accompanied by a larger proportionate impact on investment. So even without secondary or confidence effects, real GDP would be about 1 per cent be expected. If equities were to fall by 40 per cent, the US economy would almost certainly tip over into a

serious recession. US equity prices are now much higher than in December 1996, when Alan

US agvinu Ca of COPs **Current BoP deficit** 

75 80

85

95 2000 2003

EAST AFRICA

From Co-operation to Community

Developing an Agenda for the 21st Century

Sonior ministers from the three East African countries and speakers from the

international business community will examine recent progress in the

Please resource one place at the FT fast Africa Services at the rate of £170.25 (£150.00 plan UK YAT at 17.5%)

Cheque enclosed made agreble to TY Configurates."

Please charge my AMEX-DenoraPlacomCard/Visa with £

Please more that as the measure is being held in the LIK all registraris are liable to pay UK VAT at 17.5% A receipt will be sent on payment of the

East African Co-operation process and discuss the implications

Led by Mr Quentin Peel, International Affairs Editor

of the treaty on investment and growth in the region.

and Mr Michael Holman, Africa Editor of the

Executive Secretary
Secretarian of the Commission for East African Co-operation

Financial Times, speakers will include:

Secretary of State for International Development

Director-General DG VIII (Development)

European Commission

Tier African Lakes Corporation PLC

Chairman Britain-African Business Association

HE Chief Emeka Anyaoku CON

Ambassador Francis Mathaura

Rt Hon Clare Short MP

Mr Philip Lowe

Mr Christopher Fay Chief Executive

Mr TIG Barrasford

Mr Careth Bullock

General Manager, Africa Standard Chartered Bank

Mr Peter Pooley CMG

Mr Tim Davidson

A treaty ostablishing an East African Community, providing for a Common Market for Kenya, Tanzania and Uganda, is due to be ratified by the three heads of state by the middle of 1999.

Greenspan, chairman of the Fed. made his famous remark about "irrational

exuberance" As always, there are two sides to the argument. The most sober case of the optimists has been presen by Goldman Sachs. Its economists avoid the trap of talking about the "new paradigm" which is supposed to give the US rapid, inflation-free growth forever. Instead, they put the emphasis on the new world

of low or negligible inflation. This should reduce the nominal interest rate at which future dividends are discounted. They also believe that the level of risk will be lower in an environment of stable prices. thus justifying a lower risk Nevertheless, the IMF, in its December Interim

Assessment, did take into account lower interest rates when it asked what level of nominal equity earnings growth would justify recent equity price levels. Its estimate is 71/2 per cent a year. This is not very different from the average of the last four decades when inflation averaged more than 4 per cent. But it is scarcely credible that profits could grow at the required rate if inflation remains at its current level of just over 1

The most pessimistic case

comes from Tim Congdon in

the December Lambard

Street Research Economic Review. He reminds us that measures of broad money and credit, so far from indicating any kind of crunch, have shown near double digit growth in the last few months. In his view this has been associated with large, although suppressed, overheating of the US economy. The overheating has not shown up in inflation partly because of the fall in commodity and oil prices but also because much of the excess demand has gone into imports. On present trends. he projects that the US

cent of GDP by 2010. My own guess is that those who worry about Wall Street are near the truth; and I would expect a severe enough correction in US equities to have a spillover

would have net overseas

liabilities equal to 50 per

FINANCIAL TIMES

Conferences

27 January 1999 - London

impact not only on the US but also on the world

But, unlike Mr Congdon, I would not put so much emphasis on the US balance of payments. Not only does such an emphasia play into the hands of protectionists. it overlooks the numerous ways in which the balance of payments takes care of itself in a world of floating

exchange rates and free capital movements. It was this balance of payments obsession and distrust of self-correcting forces that explains, but does not excuse, the willingness of otherwise moderate and sensible British officials to draft the hideous idiocy of Operation Brutus, a fallback plan

which would have imposed an almost Stalinist siege economy in Britain in the event of severe problems with sterling in 1968-69. This was a horror which the British establishment successfully concealed from us until the opening, at the end of last year, of the official papers for 1968 under

For the time being the US

the 30-year rule.

is acting as world buyer of last resort; and it is quite rational for residents of countries with surplus savings, such as Japan, to lend to it. Obviously the US external debt ratio cannot rise indefinitely. A scaring US current account deficit will eventually hit the dollar. And if the dollar fell too quickly, even in an economy where trade accounts for only around one tenth of GDP, it would eventually affect the inflation outlook and cause

The Fed's best course which is easier for Greenspan's born-again critics to recommend than to prescribe in detail - is to try to keep US nominal demand rising at a non-inflationary rate and not to fall back into the mercantilist trap of becoming obsessed with overseas trade returns.

monetary policy to be

tighter than it would

otherwise be.

\*Exchange Rate Co-ordination for Surmounting the East Asian Currency Crises, Economics Department Stanford \*Piling Up Debt, Smithers

### LETTERS TO THE EDITOR.

#### Directors' attitude to euro smacks of an organisation in denial

always thought that com-

depended on enterprise and letters' column that the director general of the Instibusiness is about maintaining the status quo and closing your mind and options opposed to the UK joining the euro", January 4).

The position set out in this letter looks frighteningly like funk and denial by organisations under serious threat which are unable to

Sir. As a scientist who transformed everyday and intellectual life for the past merce and industry two centuries, is that an open-ended, open-minded informed risk-taking, I was approach to problems, chal-astonished to read in your lenges and ideas is the most fruitful. Only the weak pre-

tend that they know all the tute of Directors thinks that answers by denying the challenges of the new. If a majority of leaders of business can in all serious-("Directors remain firmly ness sign up to the position set out by Tim Melville-Ross I shall be converting all my

> Anne-Carole Chamier. Achandunie House,

ting off for the continent.

cope with the realities. The scientific attitude that has Ross and Cromarty. Ross and Cromarty. Scotland IV17 0YB

> From Mr Ian Walsh Sir, Tim Melville-Ross gives the impression that the Institute of Directors' policy against the UK joining the euro represents the views of 47,000 directors in the coun-

As a member, may I point out that my company disagrees with IoD policy.

managing director, capital into euros and set-Ian Walsh Consulting (UK) Chatsworth Court, RN20 7JP. UK

#### Do not break | Japanese support for equity market a mistake trade pledges

From Mr Ben Jackson Sir. It would be interesting

to see how Tony Blair approaches the subject of the EU-South Africa trade talks when he meets President Mandela this week ("Blair to press EU on South African trade", January 5). South Africa has already agreed to stop calling its port, port and its sherry, sherry in the European market, and also to phase the terms out in third markets. European insistence that the terms should also be dropped in southern Africa shows that South African commentators are right to say that the end-game of these talks is being domi-

South Africa. Mr Blair should work with his colleagues in Europe to make sure no more promises to South Africa are broken.

nated by a "grubby scram-

ble" for monopoly rights in

Ben Jackson, director. Action for Southern Africa. 28 Peuton Street, London N1 9SA

1950s and should not be From Mr Ken Takasu,

Sir, The Japanese government will be making a grave mistake if it follows policy recommendations to prop up the Japanese equity market ("Business chiefs urge Japan to buy un to 10 per cent of stock market", December 9). It is even more saddening that influential Japanese business leaders should sug-

gest it. My opposition does not centre on the Ministry of Finance and Bank of Japan's fears that it could put more pressure on the government bond market. Rather, what Japan needs is more unwinding of cross-shareholdings which may or may not lead to lower equity prices.

What is essential to the revitalisation of the Japanese economy is a joit of shareholder capitalism.

What is missing in the policy recommendations to support stock prices is the realisation that equity means ownership. Widespread Ken Takasu. cross-shareholding only 117 Rast 57th St. 40A, emerged in Japan in the New York, NY 10022, USA

Omnipoint are settling

ings for some companies

could shrink to between 25

revenue over the next three

Europe's success in the

consequence of a far-sighted

Brussels decision to insist on

GSM as a standard across

the continent. It has enabled

subscribers to move from

country to country carrying

their phones with them and

given the region's key hand-

set manufacturers - Nokia,

Alcatel - substantial econo-

According to estimates

from the London-based con-

sultancy Ovum, western

Europe will grow from 89m

connections at the end of

1996 to 183m by the end of

2002. The US will grow from

78m connections at the end

of 1996 to 161m by the end of

2002, while the Asia-Pacific

region, with 73m connec-

tions at the end of 1996, will

Some parts of Asia and

other developing regions

have the greatest potential

because of their easy avail-

lation. They are skipping 100

mies of scale.

grow to 128m.

viewed as a necessary feature for stability and suc-

Instead, in the present global economic environment, it may prevent the corporate flexibility and entrepreneurial spirit that drives innovation.

I suspect that the policy recommendation is driven by the fear that still lower equity prices will lead to further credit tightening by ese banks. Stock prices will fall if they are too Japan does not lack the

private savings that could be moved into stocks and demographic trends favour hold-What the Japanese public

in general must learn is that the stock market is not a large gambling casino but a way for individuals to partner with successful busi-

Number One Southwark Bridge, London SE1 9HL We are leasn to encourage letters from readers worldwide, Letters may be fored to +44 171-573 9938 (set for to "fine"), e-maid:

s editor lift.com Published letters are also evalishes on the FT web site, http://www.FT.com Transletion may be svalished letters written in the main international languages. Fax 0171 973 5938. Letters should be typed and not hand written.

### Mobile and going places

Alan Cane looks at the future of telecommunications following the proposed merger of two leading cellular companies

union which would produce a cellular giant with global reach, technical capability and a market capitalisation of \$110bn, is the clearest sign yet that the future of tele-

communications is wireless.
"VodaTouch", if it were to come about, would be one of the largest telecoms groups in the world. Not only would its market capitalisation put it on a par with with the largest fixed line international operators, such as AT&T, Deutsche Telekom and British Telecommunications, but its geographic spread of assets around the world should result in significently lower call charges for

its customers - corporate and residential. Steve Jobber, telecoms analyst with Paribas in London, points out: "I believe a Vodafone and AirTouch group would be able to leverage greater economies of scale than its competitors. especially within the corpo-

"Many of these potential achieved through increasing Europe and joint ownership

But while some economies of scale are certainly deliverable, many observers see the value of the potential merger as conceptual rather than

The emergence of Voda-Touch would confirm for many that wireless will largely replace fixed lines for voice calls and an increasing proportion of other kinds of communications within the decade. Fixed-wire telephony will increasingly be reserved for multimedia - combinations of high fidelity sound, moving video images and data - which require higher capacity transmission channels than can conveniently be provided over the air-

Mike Grant, mobile specialist with Analysys, the Cambridge-based telecoms consultancy, argues: "For personal communications,

between Vodafone like your wallet, and makes of the UK and Air- a statement about your life- down, installing new digital Touch of the US, a style Vodafone, for example, technologies, such as GSM is chosen by companies that and CDMA, and pulling like its professional business down prices. Scott Arnold of tinue to to be used both in noted recently: "Our analythe office and the home for applications which need more bandwidth than the

radio spectrum can easily provide. That mobile has not to four years." replaced fixed wire to a greater extent already is a mobile arena has been the which is still significantly above conventional voice services, and service quality, which can be abvernal.

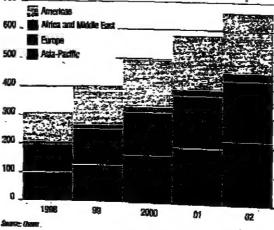
There are also regional factors at play. Although there is explosive growth in cellular subscriptions in most of the world, there are huge differences between the US, Europe and Asia.

Development of the US market has been hampered by an adherence to the older. analogue form of transmission which is more expensive, less efficient and of poorer quality than modern digital technologies, such as "Many of these potential GSM, the European and de synergies can only be facto world standard. It is also held back by the bizarre convention that the cost of a call to a mobile phone falls of networks either side of on the called party rather than the caller, which dis-

courages subscribers from leaving their phones on.

The US government's decision in 1994 to auction wireless spectrum to new entrants is having its effect, however. After a period of Total connections by region

for mobile growth. These directly to mobile systems ability and low cost of instal-



he proposed merger use. It becomes part of you, turbulence, groups such as years of traditional fixed line The key to the mobile

down prices. Scott Arnold of systems. This is the princiimage. Wireline will con- the Mckinsey consultancy pal justification for the formation of VodaTouch and sis suggests that net earn- the other large mobile compenies that will undoubtedly emerge through consolidaper cent and 30 per cent of tion. "Third generation systems will be the catalyst for the advent of the wireless future," says James McCafferty of SG Global

Equities. Third generation systems. known as UMTS in Europe, have been described as offering multimedia services to people on the move. Much of this, however, can already be offered over GSM. Their real importance is the possi-Ericsson, Siemens and bility of establishing a world mobile standard that will enable global "roam-ing"(crossing country bound-

aries) using a single phone. Operators able to offer the most attractive roaming terms would be able to attract the lion's share of the lucrative corporate market. By analogy, operators such as AT&T, British Telecom, Deutsche Telecom and France Telecom are spending billions to establish global fixed networks to attract the multinational business dollar.

Vodafone and Airtouch. with activities throughout countries are moving the US and Europe and substantial Asian assets, would be well placed to challenge for such business. The question remains whether the "wireless

future" would be better served by "pure play" mobile operators, such as Vodafone. AirTouch and Orange, or by 'converged" operators which include both fixed and wireless services in their portfolio. AT&T, for example, can offer both services through its ownership of the former McCaw Cellular. Some analysts believe

greater shareholder value is to be found in pure play stocks. The model may be the Swedish mobile operator Europolitan in which Vodafone and Airtouch both have stakes. With a range of services including a "wireless office for corporate customers, Mr Jobber of Paribas, for one, believes it is at least a year ahead of the game.

Thistic-blowing

MANCIAL HARRY

19 year 1880 1880

### Blair and Mbeki

A Print Series The state of the s

A Name of Street, Stre to the second The second secon The second of th

The second second The state of the s The state of the s THE PART OF STREET

The Live and Land and American

Right man through that the uning was now pressure with be held for our distance; and man are used to being man, and man of the parties of the second of the contract of the co

. . . Site

The same series and the same series are same series are same series are same series and the same series are same s

-

To register NOW fax this form to us on: +44 (0)171 873 3067 or visit: www.ftconferences.com the mobile phone is going to become dominant over the FT Conferences, Number One Southwark Bridge, London SEI 9HL, UK Tel: +44 (0) 171 873 3000 next five to 10 years because it is convenient and easy to صكذا من الاعلى Farming subsidies

de to euro smack

unese support for

ity market a mistake

### FINANCIAL TIMES

Number One Southwark Bridge, London SE1 9HL Tel: +44 171-873 3000 Telex 922186 Fax: +44 171-407 5700

Thursday January 7 1999

### Japan's folly

The complacent attitude of the will also undermine the profit-Japanese authorities to the ability of Japan's internationsoaring yen is incomprehensi- ally exposed businesses, worsen ble. It is not just in Japan's export performance and weaken Interest to reverse the rise, it is the incentive to invest. In an in its power. Yet Eisuke Sakaki- economy that shrank by about bara, Japan's vice-minister for 3 per cent last year, further international affairs, seems to sharp contraction looks certain. view the appreciation as inevitable and perhaps desirable. If should tolerate this, particuso, he is in grave error.

able people could regard the side as dangerous. Further yen collapse might have triggered ately needs. Broad money grew devaluation of the Chinese ren-by only 4.5 per cent in the year minhl and another bout of cur-to November, largely because of rency instability in Asia. In the fragility of Japan's banks.

addition, the capital ratios of But the Bank of Japan can fill Japanese banks were being low- the gap by buying dollars and ered, since the yen's weakness reduced the value of their yendenominated capital in relation to foreign-currency assets.
This concern about yen weak-

ness - though not necessarily ment bonds to collapse. justified, given the dire state of the Japanese economy - was at least defensible. What has happened since then is not. The yen reversed direction after three-cornered international August and has, by now, appreciated 32 per cent against the dollar. This may help Japan's neighbours. But it will aggravate its own problems.

In the year to November, wholesale prices fell 3.6 per cent. The yen appreciation will strengthen the downward pressure. This will, in turn, raise real interest rates and deepen the Keynesian liquidity trap. It should be done now.

No responsible policymaker

so, he is in grave error.

When the yen touched 147 to the dollar last August, reasonthe strong yen is that it makes government bonds. Yet it seems to be doing little of either. Instead, it has, incomprehensibly, allowed the yen to soar and the price of Japanese govern-

> Keizo Obuchi, the Japanese prime minister, is visiting Europe this week, partly to promote the role of the yen in a monetary system which now includes the euro. What Mr Obuchi should be told is that the yen will play a bigger role only if the Japanese economy itself improves. That will not happen if the currency is expected to appreciate in this way. indefinitely. Japan needs to set a ceiling for the yen. This is not just desirable, but feasible. It

### Whistle-blowing

The European Commission in ter failed to persuade the parliamassive bureaucracy in compari- ing corrupt officials. He insisted son with those in EU member on keeping investigations under states. Nor is it massively cor- his control He appeared to resent rupt. But it is inefficient in ensuring that its budget is well spent, not least because it is being asked to perform many more jobs than it was set up to do. The Commission is overstretched and understaffed. And it is hopelessly incompetent in defending itself against those charges of inefficiency and occa-

Witness its current confrontation with the European parlia- all whistle-blowers, Mr van Buitement, which next week will hold a vote of censure aimed at Jacones Santer, the Commission president, and his fellow commissioners. This is blowing the affair up out of all proportion, but the Commission nonetheless has a case to answer and has aggravated matters by its inept mishandling of its defence.

Allegations of cronvism and corruption in the Commission have been under investigation for months in the parliament. Too have been treated as an assault Brussels bureaucracy, rather than as a justified attempt to ties of ensuring good governance in a multinational body. Mr San- house in order.

Brussels, the axecutive arm of mentarians of the real progress the European Union, is not a made in curbing fraud and sackthe demands for transparency.

The last straw was the secret suspension last month of a junior Commission official, Paul van Buitenen: He- was a classic whistle-blower who had leaked documents to the parliament supporting the allegations of fraud

If anything will persuade the nen has broken the rules to expose a perceived injustice. He may be a fanatic, but he has also Commission will be blamed for picking on a small man while the powerful commissioners stubbornly refuse to admit their own failings.

The parliament is not entirely pure in this affair. With elections ahead, its members are keen to gain any publicity they can. They have failed to curb excesses in often charges of impropriety their own system of claiming expenses. But, even so, they are on the integrity of the entire justified in seeking to call the Commission to account. That is their democratic role. Now it is overcome the notorious difficul- up to the Commission to demonstrate that it can, and will, not its

### Down on the farm

The worldwide depression in agriculture could threaten moves to liberalise international trade, say Michael Smith and Nikki Tait

n Theiland, agriculture offi-cials are warning that fights over water rights may \_ break out among rice farmers as they raise output to com-pensate for low prices. In central China, grain farmers complain that wheat prices are so low they might as well be selling chaff. On the other side of the world, UK farmers are selling sheep for next to nothing. And in the US, some agricultural prices are so depressed that the administration threw a \$6bn lifebuoy at farmers late last year. Three or four years ago, farm

prices were riding high. With Asia booming and an increasingly affirmat China demanding more and more meat, it seemed that the world could never grow enough food. But just as farmers were expanding output to feed calamitous financial crisis hit emerging markets. Demand colapsed, resulting in heavy price cuts for products ranging from meat to cereals and sugar.

Some farmers have managed to escape relatively unscathed. Thanks to a favourable exchange rate and strong marketing, Australian wheat producers are enjoying stronger prices than two years ago. Oilseed and cotton prices also remain robust. Even in the US there are pockets of prosperity. US butter prices, at one stage last year, were twice as high as in 1997. Milk prices in the EU have also been resilient, largely because of a highly regu-

But there is no doubt that, as a whole, the downturn in the current farming cycle has been particularly acute.

Benchmark wheat futures in the US in September fell to about half the level of 18 months carlier, while in London white sugar prices are around two-thirds of their mid-1997 levels. Live hogs in the US are trading for less than a third of their value in 1997 and beef prices remain depressed worldwide as a result of scares over mad cow disease and E-coli, and healthier eating trends.

Thailand, the world's largest rice exporter, estimates farm income will fall 16 per cent in the coming agricultural year. The US. in September, predicted a similar fall for its farmers in

In the UK, farm incomes are at their lowest level since the 1930s because of poor weather and the strong pound. Danish farmers say their incomes in 1996 fell by half, with the pig sector's profits reduced to nil. Even China's highly-protected farmers are feeling the pinch following bumper harvests. Beijing has indicated parliamentarians to vote for cen- that rural incomes will have sure - which requires a two- missed the government's target is absolutely normal," he says. thirds majority - this is it. Like of a 5 per cent increase for 1998, all whistle-blowers, Mr van Buite widening the gap with urban incomes. "Without prosperity for farmers there will be no prospernist party said recently.

The impact of the current slump in world farm prices could be felt way beyond agricultural The present downturn follows

a period of trade liberalisation arising from the Uruguay round of talks that ended in 1992. Free marketeers fear that if prices remain depressed over a protracted period. governments will be less than enthusiastic about embarking on a new round of negotiations on world farm trade. Supporters of deregulation argue that cutting expensive subsidy regimes would stabilise

prices, to the benefit of farmers, consumers and taxpayers alike. But they concede that the momentum for further liberalisa-

tion may have been lost. "It is always easier to push through reforms when farmers do not have their backs to the wall," says Professor Allan Buckwell of London University's Wye College, a free-trade proponent. "It will be harder for the US and the European Union to make the case for change,"

How bad, then, are the difficulties and how long can they be expected to last?

If farmers are to be taken at their word, things have never been worse. But then, they have always been highly effective lobbyists. Farmers are notorious for exaggerating their woes to win politicians' sympathy and tax-Davers' money.

It is also true that farmers have themselves to blame for some of the problems. In Europe, pig breeders were tempted by high prices to step up production in 1996 and 1997 even though they were warned by the European Commission, among others, that the booms would not but. Guy Legras, the Commission's

much of the price downturn was predictable. "It is the cycle and it He believes EU countries were right to reject recent calls from tion system to guarantee prices. mouth announced an \$88m crazy; we were expecting a pack-

sible," he says. But while farmers should have

expected some price falls, they could not have forecast the severity of the Asian and Russian financial crises.

The Organisation for Economic

Co-operation and Development estimates half of the world price declines are due to normal supply and demand fluctuations, blamed on the Asian and Russian crises. Demand from Russia, which normally takes a third of the EU's meat exports, has slowed to a trickle. The severity of Asia's problems, meanwhile, is reflected in the 30 per cent drop in wheat imports last year, according to International Grain

Council figures.

Governments have responded in traditional fashion, either with more aid for farmers or with more market intervention. China is tightening its state purchasing system. According to a recent report by one US official: "China's grain reforms are aimed at strengthening state control over the national grain system, rather than making it more marketsensitive. The reforms do little to farming director general, says solve the country's fundamental chronic over-production and a system."

· • Uhre hogs

**OBSERVER** 

subsidy package for sugar cane producers. In November, the UK provided farmers with a £130m aid package, while France is negotiating aid for pig farmers. The EU has also increased export subsidies throughout the 15-

nation bloc. The country with the deepest pockets has been the US. In a congressional election year, farmers last summer secured early release of about \$5.5bn of "transitional payments" under the 1996 freedom-to-farm act that liberalised the country's farming regime, And, in October, Congress and President Bill Clinton agreed a \$6bn package of direct payments and disaster relief for

Richard Rominger, agriculture department deputy secretary, makes no apologies. "Every government has the sovereign right. to help its farmers, but in the way that is least disruptive to trade," he says. The US has been "scrupulous" about staying within World Trade Organisation obligations, he adds. Payments were not linked to production, prices or planting decisions, which the WTO believes distorts trade.

In Brussels, Mr Legras offers subsidies in the next free trade agricultural problems, such as praise for the US aid scheme, round. terribly inefficient distribution. But he was staggered by the size of the aid package which he Other countries have preferred believes is out of all proportion to an increase in export subsidies. some viz farmers for an interven-financial solutions. Thailand last the problems being tackled. "It is

Commercial Suppose

Consmodily Revenuch Bureau Index

age of about \$500m. After what they have done, they cannot pretend they are free market. It strengthens our hand in [future free trade] negotiations," he says. The EU will this year provide a

record €40bn (£28.4bn) for the farm sector. But it also has problems, including the question of how to move its highly protective farm subsidies system closer to market prices. The Commission is trying to win the backing of member states for cuts of up to 30 per cent in the guaranteed prices for milk, beef and cereals. But the proposal was making much headway, even before farm began prices

Meanwhile, the Cairns Group of agricultural free traders. which includes Australia, New Zealand, Thailand and Brazil, is fretting about how far the US and EU will be prepared to go in a new round of farm liberalisation talks, due to start next year.

in a recent statement, the Cairns Group expressed concern at the prospect of a growing use of "tit-for-tat" export subsidies by the US and EU. It said such aid distorted trade. The group called for the abolition of farm export

OECD, is also concerned about He says the experience of the past year should reinforce enthu siasm for liberalising trade. "Had there been no restrictions on subsidies, we would have seen lower prices. Free market markets react better to changes in supply and demand and produce more stable prices," he argues.

But many farmers remain unconvinced by the free trade argument. if prices remain depressed, the voices of the ORCD and other free traders could well be drowned by the

Additional reporting by Paul Solman, James Harding, Ted Bardacke, Stephen Wyatt and

### Blair and Mbeki

for Tony Blair's first trip to agenda. The two countries have Africa as British prime minister. far more to offer each other. The visit also comes at an approsalute the remarkable achievevisit also provides the opportusen successor. Their objectives should extend beyond South Although Africa has been low

on the UK's agenda, there are good reasons why it should be higher. These range from the renewal of civil war in Angola and the Congo to Nigeria's experience in remoulding the planned return to democracy. Both as a permanent member of the UN security council and because of its commercial inter- forthcoming elections still in an ests Britain has a critical role. The first step must be to con-

solidate ties with the region's superpower. This can readily be Trade Unions. achieved. South Africa is seeking continued British support in its efforts to secure better access to the European Union market, and rightly so. The best help the reduction of its crippling external world can give South Africa and

buy their products. pressing the case of the British ground, the visit could mark the companies tendering for arms contracts valued at film. If South Britain's relations with South Africa is to play a peacekeeping Africa, and prepare the way for a role in Africa, it needs well equipped armed forces. But this lems of continent still in crisis.

South Africa is the right country should not be top of the bilateral

South Africa's transition from priate time. While Mr Blair will apartheid to democracy remains one of the century's most ments of Nelson Mandela, his remarkable events, but fundamental challenges remain. Crime nity to forge a partnership with is rife, corruption is rising, un-Thabo Mbeki, the president's cho-employment is growing, Aids is employment is growing, Aids is rampant. Job creation is critical, and, unless South Africa can attract more foreign investment, the economy will remain stag-

> And, like old Labour, the ruling African National Congress needs modernising. Mr Blair's Labour party is relevant to Mr Mbeki. It is anachronistic that the ANC will be contesting the electoral alliance with the South African Communist Party and the Congress of South African

The other vital item on the agenda, however, is the need to address the wider issues affecting the continent, including the debt burden and to strengthen other developing countries is to Africa's peace-keeping capacities. If Mr Mbeki and Mr Blair can

For his part, Mr Blair will be strike a rapport and find common start of a new chapter in fresh initiative to tackle the prob- accounting creature born of last

Divided by a common currency

Russians are no strangers to currency crises. But the launch of the euro on the world's foreign exchange markets has raised a tricky and sensitive issue: no-one can decide what gender the new medium of exchange should be assigned in the language of Dostoyevsky and Pushkin.

Arryone who's ever tried to ge

their tongue round the Cyrillic alphabet will know that Russians take these things seriously. looks like a neuter word because it ends in an "o" -language experts in Moscow argue that it definitely can't be. They would prefer to follow the French ("un euro") and Germans ("der euro") by adopting a masculine gender - an agt choice given the predominantly male composition of the European Central Bank's council.

Expert opinion in London remains divided. The Russian embassy reckons that the euro is "100 per cent feminine", while the Russia branch of the BBC's famously erudite World Service believes that it can be either neuter or masculine. Perhaps they should toes a coin?

Bird fancier

So now PwC, the global year's spectacular merger, wants imposed a hardly draconian 675

to build one of the world's top law firms. The obstacles in its path are formidable.

It might be able to overcome the cultural differences that divide lawyers and auditors and New York and London, but what about the chasm that separates the English sense of humour from the rest? Gérard Nicolay. head of PwC's existing legal operations, has just experienced it first hand.

During a visit to London this week Gérard, a member of the Paris bar, was outlining his vision of the future. Behind him in the comidor, Ian Brindle, the blunt Englishmen who was the architect of last year's merger, was cavorting with a fluffy pink emu. The flightless creature danced happily as it was introduced to Gérard; bird and Brindle then flapped away to meet other PwC executives.

Gérard, ever the unflappable Gaul, raised an eyebrow, and shrugged: "It is New Year perhaps?" Someone should tell him Brindle's like that all the

Pie in the eye Gerrit Zalm won't be the last

international heavyweight to get an eyeful. The Dutch finance minister on Monday collected two well-aimed oustard tarts as he solemnly taunched the euro on national television. The following day a Belgian court

fine (\$88 approx) on two other pie throwers for the "midly violent" act last February of aiming four fresh cream tarts at Bill Gates. Not much of a deterrent balanced against the lure of landing a deliciously

richest man. Given the indulgent attitude of the Belgian Judiciary, few visitors to Brussels can now be safe from the attentions of les oloupistes - the group of pie cesers or entertairs master-minded by one Noel

Their French-language web site (at gloupgloup.com) promises Gates a second serving in the next few months. Bill Clinton and Torry Blair are said to be next on the list, followed by the Pope and Demi Moore, in recognition of her performance in GI Jane. it's an ambittous hit-list, but Godin boasts 30 years of

pie-throwing experience since he landed his first pastry, on French novelist Margeurite Duras. Other victims with a Gallic flavour include film-maiter JeanLuc Godard and philosopher-cum-media star Bernard-Henri Levy. Talk about

half-haked.

Hard lesson

Forget reading, writing and arithmetic. The young citizens of the Russian Far East are getting classroom lessons in how to pay

It's all part of a long-term plan to get the public finances in order in a country that faces one of the biggest tax delinquency problems in the world. As well as resorting to military tactics to squeeze roubles from non-paying adults. Russian tax officials have decided that education is the vay forward.

The set text in the classroom is an inspiring volume titled "Dialogues About Taxes". authored by a local revenue official with a head for figures and a winning way with

You'd have thought teachers would be a bit peeved at having the traditional curriculum hijacked by the taxation brigade. But far from it. Instead of laying down their chalk in protest, educationalists have welcomed the initiative with open arms.

They have already learned a harsh lesson about the dire state of Russia's public finances: when taxes don't get collected, teachers don't get paid.

All for nought Hold on to your seats. Those

sticklers for detail at British bank Abbey National feel duty-bound to announce that director Tim Ingram and his wife Christine have bought one share each in the company. That, they inform us, amounts in aggregate to 0.000000141 per cent of the ordinary share capital.

### Financial Times

#### 100 years ago Phyralist Directors

A brief calculation culled from the Red Book of Directors shows that 640 gentlemen in Britain hold 5,090 directorships between them. Whether the directorships are improved by the process or whether the process improves

the gentleman is a matter of some doubt. But we may say without any doubt that it is a typical development of the fin de siècle industrial circus to drive a team of half a dozen or more directorships. The Red Book informs us that four gentlemen each hold at least 20 directorships.

#### 50 years ago

Canada's Position Improves Edmonton, Jan 6. Canada's gold and U.S. dollar reserves have been doubled since the end of 1947 when dollarsaving measures were introduced. They now total approximately \$1,000m, Mr. Abbott, Minister of Finance, announced here. Current reserves consist of U.S. \$550m and the balance in gold. The Minister revealed that at December 31 holdings were officially \$998m . compared with a low of \$461m in December 1947.



sing places

 $(a_i)_i \triangleq a_{i+1} \ldots$ 

Section 1874 188  $x_{i}(t) = x_{i}(t) + t + t$ 

1. in the

... .. .





### FINANCIAL TIMI

THURSDAY JANUARY 7 1999

BUILDING HOMES OF INDIVIDUALITY FROM SCOTLAND TO THE SOUTH COAST



#### THE LEX COLUMN

### Drunk on liquidity

Happy January! The US stock market is back in record territory, with the Dow Jones index surpassing 9,500 for the first time. The UK, French and other European markets are also closing in on their all-time highs. Even Japan had a good day. As usual at this time of year, equity markets are surfing along on a wave of liquidity. Stocks are benefiting both from the traditional seasonal inflow of fresh money and a reduction in institutional cash piles that were built up during last autumn's downturn. In the US, for example, cash holdings of equity mutual funds have dropped from September's 6.3 per cent high to around 5 per cent, compared

with a two-year average of 445 per cent. But every bubble bursts eventually, Valuations are now so stretched - the trailing price-earnings ratio on the S&P 500 index has reached 38 times - that even bulls find them hard to justify. Tellingly, the S&P 500 has already exceeded the 1999 year-end forecasts of many US strategists. Earnings growth across most western markets is likely to be lacklustre as deflationary forces spread across the world economy. And the scope for further interest rate cuts in the US and continental Europe is limited, reducing the support furnished by lower bond yields.

Predicting the timing of any setback is difficult. But as the extra push from liquidity peters out and investors refocus on fundamentals, it is hard to see this New Year rally lasting much longer.

Japanese exporters must be feeling less than charitable towards Elsuke Sakakibara, Japan's vice minister for international affairs, whose latest comments have done nothing to damp the yen's surge against the dollar. Their anger would be misdirected. The currency's strength seems to owe more to the collance of the bond market than the opinions of "Mr Yen".

The oversupply in the Japanese government bond (JGB) market - to fund the government's fiscal stimulus package has caused yields to triple to nearly 2 per cent, attracting funds from oversees. The finance ministry's decision to curtail its buying of JGBs has only exacerbated this. But the only speedy remedy - getting the Bank of Japan to monetise the govern-



ment debt by in effect printing money to buy bonds - carries huge dangers and would be politically difficult.

Meanwhile, two further pressures conspire to sustain the ven; the unwinding of so-called short yen carry trades, where investors borrowed in yen to buy overseas assets, and the need for Japanese exporters to bedge further against currency appreciation, thereby reducing capital outflows. Furthermore, dollar weakness, the flip side of the yen coin, does not look likely to change in the short term, given growing concern about the US trade deficit. Longer term, the poor fundamentals of the Japanese economy should weaken the yen, but not before Japanese exporters join the rest of Japan in hurting.

Volvo's decision to put its car division up for sale is a sensible recognition that independence, its strategy since the aborted merger with Renault, is no longer an option. One of the smallest European carmakers in terms of volume, Volvo's inability to exploit the economies of scale enjoyed by its competitors has finally taken its toll on the group's profitability and share price performance. For 1998, pre-tax profits are expected to be nearly 20 per cent down. Among its European peer group, Volvo has one of the lowest valuetions on a price/earnings basis. While DaimlerChrysler trades at more than 12 times 2000 earnings per share, Volvo is on a humble 8 times.

Since Volvo is a premium brand, with

an appeal that is widening beyond the family segment thanks to sportier models competition to buy it should be fierce. Fiat is the most obvious fit, both geo graphically and in terms of products. However, structuring the deal as a merger of equals may prove difficult unless all of Volvo were to be included. Volvo as a whole is capitalised at \$12bn, compared with Flat's \$14.5bn, but the car division accounts for little more than 50 per cent of forecast 1999 operating profits. Putting that segment on a multiple of nine sug-gests a value of around \$6bn. But it would be a shame for Fiat not to strengthen its own Iveco trucks business at the same time. A full-scale merger looks the best

#### Gucci/LVMH

investors in Gucci are all too aware that the stock can go in and out of fashion. Its share price has oscillated between 630 (\$36) and nearly €70 over the past couple of years. But with first Prada and now LVMH taking stakes, it seems that what the Asian crisis has taken away bid speculation is giving back. Of course, LVMH may just sit on the 5 per cent stake, enjoying access to information about a fellow purveyor of luxury goods, and eventually profiting – as will the whole LVMH group – from a recovery in Asian consumer spending. The yea's recent strength has reassured investors that there is light at the end of that tunnel.

But what about a bid for Gucci? LVMH could afford it, unlike Prada. Its 11 per cent stake in Diageo is worth more than Gucci's current market value of #3.3hn. But deep pockets are not enough. A fash ion house's talents notoriously lie with individual egos. Either these are won over or they walk, taking the company's value

Apert from money, LVMH could offer Gucci's glitterati an important role in expanding the group's fashion interests. After a sometimes painful experience as a public company, they might welcome more committed owner

But LVMH, which is still trying to turn round its last big acquisition, the DFS duty free chain, would have to beware of offering too big a premium. After all, synergies are hard to come by in brands that thrive on their distinctiveness.

### Senators clash over format for impeachment hearing

Republicans seek to block plans for accelerated trial

#### By Mark Staman in Washington

Right-wing Republican senators yesterday sought to block plans for an accelerated impeachment trial for President Bill Clinton.

opened, US senators remained locked in debate over how to structure the trial, with Republicans and Democrats holding separate meetings to try to man out plans for the

The trial is due to get under way mally swears in the senators as trial lasting a few days.

Trent Lott, Republican senate majority leader, said he was optimistic that agreement on a structure would be reached before the trial opened. However, he warned that the trial could last anywhere from three days to more than three

"I can't give you a magic date," he said. "All kinds of variables are com-

and said Mr .. Clinton was believe we can have a very parrowly "anxious" to get the issue resolved.

The president's lawyers are pre-As the new Congress formally paring a wide-ranging attack on the justice and committed perjury in covering up his affair with Monica Lewinsky, a White House worker, but their tactics will depend on the

Mr Lott's comments came as the today when William Rehnquist, chief mood appeared to be turning against justice of the supreme court, for a bipertisan plan to hold a shortened

> The "mini-trial" would test whether there was any chance of months, achieving the two-thirds majority in But in the Senate necessary to convict Mr Clinton, Although the plan is strongly backed by Democrats, a growing number of Republicans have said it would be a violation of their constitutional responsibility if "I could go either way based on they did not hold full proceedings.

Most Republicans appear to favour an alternative plan for a trial that Lockhart, the White would last several weeks and

House spokesman, expressed frustration with the continued delays ter, a Pennsylvania senator, said: "I ter, a Pennsylvania senator, said: "I focused proceeding, limiting the number of issues, limiting the number of witnesses and conclude it within the parameter of three

> Tom Daschle, senate minority leader, said he remained optimistic that the two parties would reach consensus on a "sensible" plan to the Republican majority approved a format involving witnesses, the White House should be given as long as it wanted to mount its defence. That could drag out proceedings for

But in the first sign that Democrais might not be completely united behind Mr Clinton, Robert Byrd, a his mind about the case.

the evidence as I've seen or heard

### Former army chief joins race to be Israeli prime minister

Amnon Lipkin-Shahak, Israel's former army chief of staff, yesterday launched his campaign for the premiership with an attack on Benjamin Netanyahu, the prime minister, and an appeal for unity in Israeli

"Netanyahu is dangerous for Israel. Netanyahu must go," seid Mr Shahak, who is expected to be a strong candidate in elections due on

Coalition and opposition leaders branded Mr Shahak, who is forming a centrist party, a political novice with no vision on regional peace or security. Mr Netanyahu, of the Likud party, described Mr Shahak's had not done enough to bridge gaps. comments as a "crude personal

attack" bordering on incitement. nothing new to say about anything," opposition Labour party, said of Mr but said this would have to be

opposition to Mr Netanyahu.

Mr Shahak, who left the army only two weeks ago, played a leading role in negotiating the Oslo peace accords between Israel and the Palestine Liberation Organisation. But his involvement attracted criticism from Mr Netanyahu, who was leader of the opposition at the time.

The former general's popularity has soared in recent months, despite his silence about his political

He lashed out at Mr Netanyahu for fostering an "abyss of hate" between religious and secular Jews and the political left and right during his: tenure. The Labour party, he said, "A country at war with itself is liable to bring disaster if it is not stopped in time," he said.

Mr Shahak hinted that a Palestinian state would

peace settlement, no that Israel would keep Jerusalem as that Israel would keep Jerusalem as its united capital, including Arab east Jerusalem, which Palestinians hope will become capital of a future

Mr Shahak rejected a unilateral withdrawal from Israeli-occupied southern Lebanon, and said Israel must negotiate a pullback with Syria. However, he strayed from traditional Israeli policy by saying peace with Syria would require territorial compromise on the occupied Golan Heights.

According to a recent Gellup poll Mr Shahak would receive 17 per cent of the vote in the first round of elections, behind Mr Netanyahu, with 31 per cent, and Rhud Barak, Lebour leader, with 34 per cent. If Mr Shahak overtakes Mr Barak in the first June 1, the polls-indicate he would

#### CONTENTS

# Asia-Pacific News World Trade Naves

Britain's Prince Edward, youngest son of Queen Elizabeth, with Sophle

**Features** 

**Companies & Finance** Markets

FT/S&P-A World Indices

Dividends armounced, Life

com FINANCIAL TIMES Directory of calline survices via FT Electronic Publishing Every of over 3.5 critics princips from the PT and

25-27

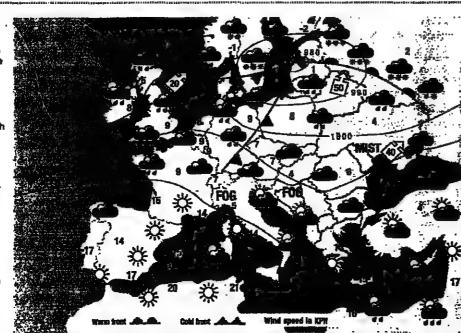
#### FT WEATHER GUIDE

#### Europe today

Greece, southern France, the Alps and the Belkans will be mainly fine and mild with surmy spells and there will be fog in northern Italy, Alpine valleys and the Balkans. Northern France, the Low Countries and Germany will be mild with rain. Scandinavia and north-east Europe will be cold and wintry.

Five-day forecast Much of central, north and northwest Europe will turn much colder later tomorrow and more particularly over the weekend with snow and severe frost becoming more videspread. Colder air will also penetrate the western Mediterenean during the weekend but at the same time a developing depression will bring heavy rain to

parts of western Spain and Italy.



TODAY'S TEMPERATURES Son Shower Fair Fair Rain Shower Sun Builder Fair Sun Cloudy Fair Rain Staywer Sun Rain Staywer Fer Fair Rain Sun Shower Fair Cloudy Shower Fair Rain Majores, Manta Manchesi Manchesi Manchesi Manchesi Marani Manchesi Frankhut
Genevia
Gerseltar
Genevia
Genevia
Genevia
Genevia
Hongster
Lima
London
Lusbourg
Lyon
Lyon Runder Snow Felir Fair Sun Shower Fair Rain Cloudy Fair 03000

**PolyGram** 

PolyGram N.V.

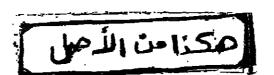
has been acquired by



The Seagram Company Ltd

The undersigned acted as a financial advisor to PolyGram N.V. in this transaction.

SG Cower

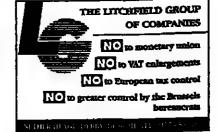


# ver format

brother **PRINTERS** FAX MACHINES

NIES & MARKETS

THURSDAY JANUARY 7 1999



Gucci up

as LVMH

holding is

revealed

and Samer iskandar in Paris

Shares in Gucci, the Italian

fashion group, jumped by 19 per cent to €55.4 (\$65) yester-

day when LVMH, the French

luxury goods conglomerate,

announced that it had

acquired more than 5 per cent

Domenico de Sole, Gucci's

president, admitted that he had "no prior knowledge" of

the investment. LVMH, which

of the company.

INSIDE

Storebrand in NKr1.6bn bid for bank Storebrand, Norway's leading insurer, launched a NKr1.6bn (\$215m) takeover bld for Finansbanken, Norway's second largest private bank, in what is the latest consolidation of the Nordic financial sector. It already owned 10 per cent of Finansbanken's shares. Page 14

Lucas Varity in talks on expansion LucasVarity, the automotive group, is in discussions with a number of companies over plans to expand through a series of small-scale acquisitions, joint ventures and alliances, rather than a jul-blown merger or sale of the group. Page 18

Japanese stocks hit by bond yields Japanese stocks are being pounded by high government bond yields, and negative corporate growth prospects. The rise in the yield on bonds has made equities less attractive relative to bonds. Capital Markets, Page 22.

Russian market's unhappy new year



Last year the Russian stock market fell from being 1997's top performer to last position. The slump was powered by a combination of global and Russian factors, as the government of Boris Yeltsin (left) sacked prime minsters, defaulted on its debt and devalued the rouble. So far, only the

bolder traders and hedge funds have returned b.s market hit by low volumes and high voleti-ity. Emerging Market Foous, Page 34

Kenya sees rise in demand for its tea Kenya's tea sector has experienced strong demand from Egypt, Pakistan and the UK pushing prices up by 5 cents to 20 US cents a kilo from December after a year when production exceeded expectations and heavy rains helped the country's estates. Commodities, Page 24

Body Shop names finance director Alastair Murray has been named the new finance director of Body Shop International, the cosmetics and tolletries retailer. Page 19

Outlook improves for Pakistan wheat The outlook for Pakistan's wheat crop has Improved with the arrival of widespread rains after a two-month dry spell. The agriculture ministry has set a production target of 19m tonnes this year versus last year's production of 18.7m tonnes. Commodities, Page 24

Banks report smooth euro trading rading began smoothly this week in the new European currency, as most banks found probfilems could be dealt with easily by hand. Months of co-operation between banks that were usually rivals had paid off. Business and the euro, Page 21; Observer, Page 11

#### COMPANIES IN THIS ISSUE

| Abbey National              |           | Liberty Re                              | 18      |
|-----------------------------|-----------|---|---------|
| Abbot                       | 30        | Lookheed Mertin                         | 17      |
| Al/Touch                    | 10,13     | LucesVarity                             | 18      |
| Airbue                      | 4         | Mediaset .                              | 13      |
| AilledSignal                |           | Morgan Stanley                          | 14      |
| Axel Springer               |           | News Corporation                        | 13      |
| BP Amoco                    | 17,30     | Next                                    | 18,30   |
| Basn Company                | 14        |   | . 1     |
| J.Banco Popular             | 17        | Northrop Grummen                        | 17      |
| ali.<br>€8anoo del Pecifico | 17        | Northville inds                         | 17      |
| Bell Atlantic               | 13        | Novertis                                | 14      |
| Booling                     | 4,17      | Orange                                  | 30      |
| Bridgestone                 | 500       | PN/CO inclustries                       | 14      |
| British Aerospace           | 30        | Perez Compenc                           | 17      |
| British Akwaya              | 30        | PetroFina                               | 7.6     |
| CTR Group                   | 17        | Phillips Petroleum                      | 17      |
| Citizen                     | 100       | Photobition                             | 18      |
| Consol Natural Gas          | 17        | Preda                                   | 13      |
| Cox Comms                   | 18        | PWC                                     | 1       |
| Deutsche Bank               | 7         | Restok                                  | 4       |
|                             | - 20      | Repaci                                  | 17      |
| Dixone<br>Enti              | 17        | Shell                                   | 30      |
|                             | 17        | Skocie Auto                             | 14      |
| Enbridge                    | 14        | SmithKline Beecham                      | 30      |
| Ford Motor Go               |           | Sony                                    | 13      |
| GLH (Derivatives)           | 17        | GRAMER COLLEGE                          | 18      |
| Pero Wellcome               | <b>30</b> | IOWI                                    | 14      |
| Poidman Sachs               |           | Valéo                                   | 14      |
| Griffin Trading             | 17        | *************************************** | 0,13,30 |
| Gucci                       |           | Volvo                                   | 1,12    |
| Hicks Muse                  |           | Wace                                    | 18      |
| LP. Morgan                  |           | Wait Disney                             | 13      |
| Kinglisher                  |           | Warburg Dillon Read                     |         |
| Kirch Group                 |           | Williams Inti                           | 57      |
| ГЛИН                        | 12,13     | YPF                                     | 17      |
| Lehman Brothers             | 17        | Zeneca                                  | 30      |

CROSSWORD, Page 24

MARKET STATISTICS

28,29 Emerging Market bonds 22 22 FTSE Actuaries share indicas 30 Annual reports club enchmark Boxt bonds Sand futures and options Gills orices and prices and yields Loodon share service 28,29 Managed funds service 25-27 modities prices Dividends announced, UK EMS currency rates New int band issues Recent Issues, UK Short-term int rates Eurobond prices Short-term left reces
Stock markets at a giance 33
US interest rates
World stock markets 31 FT/S&P-A World indices US Interest rafes

### Kirch claims assets over \$12bn

By John Gapper in London and Frederick Studemann in Bonn

Troubled German media group tries to soothe backers

Kirch Group, the troubled German media group seeking a cash injection, has told potential investors that its assets are worth more than DM20bn, (\$12bn) and it has lower debt than has been estimated. Kirch, which has been losing

money because of difficulties with its DF1 pay television service, has scaled back the cash it is seeking from three investors - including the Italian media company Mediaset - to about \$250m each.
It has told Mediaset and the

other two investors, Rupert Murdoch's News Corporation and Prince Al Waleed, the Saudi investor, that its net

But in the short term, according to Michael Eisner.

chairman and chief executive,

investors may expect few

financial fireworks from the

company as it starts the new

While other executives

might feel obliged to talk in

expansive terms about the mil-

will offer a quiet moment to

reflect on ... our company,

Mr Eisner said in his annual

letter to shareholders, pub-

The company, which had a

\$1.85bn, had invested heavily

could be in the pipeline. "We

could be getting close to the time for a major Disney attraction in the world's most popul

first public acknowledgement of his meetings in October with the Chinese leadership in

company that the relationship

build a theme park and release

more products in China are

advancing.
Mr Eisner also outlined

group's film business after a disappointing 1998, when "in

too many instances profits did

Disney's mastery of the anima-

Beijing.

lished yesterday.

debt is DM2.8bn. It estimates unveiled a restructuring that its market value, which would the market value of its equity

at more than DM20bn. The confidential figures given by Kirch to investors sion called Kirch Media. Its last week provide the first indication of the value it may seek in a forthcoming flotation rate Pay TV division.

assets, likely to take place within 18 months. Kirch has also held separate discussions with financial investors, thought to include the private equity firm Hicks, Muse, Tate & Furst, over possi-ble investment. Neither Hicks

of its television and film

Muse nor Kirch would com-Earlier this week, Kirch

placed its free television give them a stake of only 3 per assets, including a 59 per cent cent each in Kirch Media for stake in Sat 1, in a new divi- \$250m.

However, it has told investors that the Pay TV division may owe up to DML 7bn to the Kirch Media arm in which they would invest. The invesand when this money would be paid to Kirch Media.

Talks are continuing, but investors are sceptical about the estimate of debt. They also

In a private presentation in troubled pay television Milan, Kirch estimated the operations will sit in a sepa- market value of Kirch Media at DM14bn and that of Pay TV at DM4bn. The third arm, Taurus, holds other assets including its DM2bn stake in the publisher Axel Springer.

Kirch yesterday emphasised tors want assurances over how its faith in its free television assets, saving that advertising sales at Sat 1 rose by 14 per cent in 1998 to almost DM3bn, making it the second biggest of Germany's commercial networks. It forecast profits at Sat

I of at least DM10m this year, following restructuring and a write-off of debt. Dieter Hahn. Kirch's managing director, said free television assets were now "healthy to the core and highly profitable".

There has been constant rulation in Germany about the level of Kirch's debt. A 1997 report by Manager Magazine put the group's debts at more than DMMm and claimed it had negative cashflow of about DM1bn that year.

Kirch has told investors that if the market value of Kirch Media is below its estimates in a flotation they would be allocated extra shares or another form of compensation.

#### controls the Louis Vuitton, Christian Dior and Givenchy fashion brands, said it would make its "intentions known before the end of the week."

LVMH's shares rose by 7 per cent after the announcement to €200. Analysts said Bernard Arnault, LVMH's acquisitive chairman, might mount a full bid for Gucci, which could cost

up to \$4bn. However, they thought it more likely he would retain a minority holding as an investment. LVMH set up a venture capital fund last month, but declined to comment on whether it was used to acquire the Gucci shares.

The secretive nature of LVMH's share buying mirrors a similar episode last summer when Prada, a rival Italian ashion house, shocked Gucci by revealing that it had acquired a 5 per cent stake, and then purchased another 4.5 per cent.

Prada, which spent about 240m in total, claimed to have bought the holding as an investment. At one stage it nursed a loss because Gucci's shares had been depressed by the Asian downturn. Analysts suggested that Mr Arnault had timed his investment in antici-

LVMH is believed to have bought a small stake in Gucci when the latter went public in 1986, as part of its policy of investing in rival companies to secure access to shareholder information. It is understood to have similar holdings in Raiph Lauren and Donna Karan, the US fashion groups. Market traders suspect that LVMH bought most of its cur-December, when a large tranchs was purchased anonymously. LVMH did not have to disclose its stake until it owned more than 5 per cent of

Lex, Page 12 LYMH eyes Bucci, Page 14

#### Disney is Strong yen hits home in Japan close to Exporters hurt **Volatile times** breaching by sharp rise against dollar Against the dollar (4 per 5) Chinese By Paul Abrahaus and Alexandra Harney in Tokyo barrier The yen might have fallen back marginally yesterday, but there is no disguising the pain By Christopher Purker In Los Angeles 118 # among the country's manufacturers from the recent sharp Walt Disney is bracing itself appreciation in the Japanese for a great leap forward into correccy. China and a strategic shift Since December, the dollar has fallen from Y128 to a 27-month low of Y110.40 this backwards in its traditional role as a provider of wholesome family entertainment.

It is intolerable for the basic currency's value

to drop or rise 20 per cent in just one week.

A stable exchange market is essential for

acturing industry

- Hobuguid Wal, president of Story

beyond the realms of possibil-

groups have been over-optimis

Some companies have

already issued warnings. Nin-

a parent company profit with

the yen at current levels.

vice-president, says: "It's going

tic, working around Y180."

week, before closing last night in Tokyo at Y112.41. In August,

the dollar was trading at Y147. The sudden rise in the yen hits Japanese companies in two ways. It affects the yen value of overseas earnings, cutting into profits and it makes Japanese goods more expensive overseas, forcing manufacturers to cut prices or

lennium, "I think the year 2000 Sony, the electronics group, Yomiuri newspaper: "Japanese manufacturing industry is exhausted because the yen's disappointing 1998 with net exchange rate has fluctuated income down from \$1.97bm to wildly. It is intolerable for the basic currency's value to drop in new attractions which had or rise 30 per cent in just one helped drag down earnings, he week. A stable exchange marsaid. More heavy spending ket is essential for manufac-

> Japanese companies have tricky. "One of the problems is been here before and have the extent to which companies seen the yen even stronger. In have hedged," says Garry April 1995, the dollar briefly Evans, strategist at HSBC touched Y80. The difference securities. "Although they give their assumptions for the economy, and the corporate sector in particular, is in much hedging in advance. What's worse shape because of the clear though is that a lot of cumulative effect of years of slow economic growth and recession, as well as the collanse of Asian demand.

What appears to have infuritendo, the games group, sted Japanese managers the warned it was unlikely to post most is not the absolute level of the currency, but the extraordinary volatility of the Masayoshi Morimoto, a Sony yen in recent months. Equity analysts in Tokyo to be a severe year if the dollar

yesterday were struggling to stays at the current level. We update their sernings forecasts hope the rate will return to at

Nobuyuki Idel, president of for the current financial year. least Y115." Bridgestone, the ing watch manufacturer, a Most presume the yen is going world's leading tyre manufacsaid in an interview with the to continue to appreciate. turer, said it was troubled at dollar would mean pre-tax Brian Rose, economist at War-burg Dillon Read, says: "With the strengthening of the yen, profits could be nearly 10 per which would hit the strong a big current account surplus earnings growth of the past cast based on a Y115 exchange several years. and a narrowing yield spread The company, which between Japanese and US

government bonds, Y105 is not depends on exports for more than 40 per cent of total turn-of total turnover, said a Y1 over, said it was adopting a fluctuation in the yen-dollar But evaluating the damage wait-and-see attitude towards rate would mean a change in The group, which calculates 7500m and 7600m, if yen-based that every Y1 fluctuation in transactions were included.

the exchange rate has a Y1.7bn impact on sales, is likely to discounting lower profits suffer from reduced export vol- among blue-chip exporters. umes and lower earnings from Many are at their weakest its overseas production levels in months. CEDITIES

For Citizen, the world's lead- Lex, Page 12

The market has already been

movement to Y100 against the

cent below the company's fore-

Citizen, with exports repre-

senting more than 70 per cent

rate, made last November.

#### Vodafone to talk lous nation," he said, in his to AirTouch His statement confirmed renewed optimism within the

By Richard Waters and William Lawre in New York and Alex Care between Disney and China, frozen after the 1996 release of the pro-Tibet film Kundun, is in London on the mend and that plans to

Senior executives from Vodafone and AirTouch may meet for the first time as early focus on the value of Voda-as today to discuss the UK fone's shares, which are the plans to shift the focus of the wireless carrier's \$55bn (£33bn) merger proposal, a sign of the seriousness with which the US company is treating the unsolicited offer despite its plans for

not materialise from the revenues achieved by our a rival merger. films . . . either the films and Vodafone's offer, made over marketing cost too much or the weekend, arrived as Airthe audiences rejected our merger with Bell Atlantic. Vodafone has brushed off suggestions that it might sell part or all of AirTouch's US

Disney's costly Armageddan was the most popular film in US cinemas last summer but analysts believe the remake of operations after a merger. The Parent Trap was more Vodafone's offer was prompted profitable. Efforts at serious movie-making, such as The Horse Whisperer and Beloved, investments, rather than its cashflow than its stock. larger but slower-growing were well-received by the critics, but less so by audiences. domestic business. The company planned to

respond by making more movies under the Walt Disney added that it was unlikely to brand with "renewed emphasis on Disney family films". Analysts note that ranging wider into big-budget event Investment bankers in New stood at \$79%, a rise on the day films has brought mixed results for the company, while competitors such as Dream-Vodafone to sell the US business would attract a large tax Works are threatening to erode

and Sam Ginn, chief executive of AirTouch, meet, other exec-utives are scheduled to begin talking this week. The discussions are likely to

main currency for its offer. The company is thought to have offered approximately \$90 a share in stock and \$4-\$6 in cash. The deal is being structured as a merger of equals. but the cash element would ensure that Vodafone share-Touch was negotiating a \$45hm holders retain marginally more than 50 per cent.

chief executive of Vodafone,

Bell Atlantic is likely to question the value of Vodafone's stock. People close to AirTouch were thought to be sceptical about Vodafone's by its desire to control Air- high-flying shares, which trade Touch's valuable European on a far higher multiple of But the stock market reac

tion to Vodafone's offer may The UK carrier insisted that have calmed some nerves. On it was determined to keep Air- Tuesday. Vodafone's stock Touch's US business, but price rose 61%p to £11.10% before slipping back slightly use it as a platform to create a yesterday. By lunchtime on national network of its own. Wall Street, AirTouch's shares York said that any attempt by of \$41 and putting them comfortably ahead of the \$75 a share value of Bell Atlantic's all-stock offer.

While it is expected to be some days before Chris Gent, Soing places, Page 10





ny i.i.d.

### Hyundai buys LG Group's chip division

its semiconductor unit to recommended that HEI take : lifted today. rival Hyundai Group, in a a 70 per cent stake. with the government.

equity to Hyundai Electronproducer of dynamic random day with President Kim Daechips in terms of market as a gesture to spur corposhare, behind Samsung Elec- rate restructuring. tronics, also of Korea.

merged company surprised merged company surprised observers, as the company surprised observers as the company surprised observers, as the company surprised observers are com

The about-face came after ics Industries (HEI), creating Koo Bon-moo, LG chairman, the world's second-biggest agreed in a meeting yesteraccess memory (D-Ram) jung to drop his objections president, said it was too project was to have created

Government-controlled

But while LG's capitulasurprise move that ended a LG called the report biased tion may usher in a new similar types of chips: damaging 10-day stand-off and unfair and threatened to wave of much-needed corpoleast one of the two large investments the companies have in the UK.

> early to decide the future of 6,000 jobs. LG's £1.7bn (\$3.8bn) chip plant in south Wales and land. Both were put on hold said the speed of the deal

Chun Woo Jong, a chip cations industry. sue its authors, the US con- rate restructuring, analysts analyst with Securities, pre-LG Semicon will sell all its sulting firm Arthur D. Little, said it called into question at dicted LG's project would be jettisoned. The factory in Wales will not be built," he said. "Job losses will be Kim Young Hwan, HEI anticipated." The two-phase

LG said HEI had agreed to said. "We are getting a very pay a premium for LG Semi-The speed of LG's decision banks froze new credit to LG HEFs \$50n project in Scot- con's share price. Analysis

with the facilities, which existing mobile phone operawere intended to produce tor - in anticipation of reforms to the telecommuni-

> Mr Kim predicted the combined company would become the world's leading chip producer, enhancing its research and development to focus on next-generation high-speed chins.

> become truly the number one D-Ram maker in the

nearly stoba.

Analysts said LG's agree ment was expected, as it is very difficult for achusiness to survive in Korea if at odds with the government. But they expressed doubts over the compatibility of the

merged companies. "In the short-term, there precious opportunity to stantial cost-savings on

#### are no synergies," said Mr We mean business," he Chun at Dongwong, But he added there would be sub-

### launches NKr1.6bn bid for bank

Ny Valenta Skille in Ordo

Storebrand, Norway's leading insurer, yesterday launched a NKrl.6bn (\$215m) takeover bid for Financhanken, Norway's second largest private bank, in the latest owns slightly more than 5 consolidation of the Nordic financial sector.

10 per cent of Finansbanken shares, will offer NKr40 a share in cash for 34.7m outstanding Finansbanken shares and 4.4m shares Gucci. Analysts suspect that related to a convertible

Storebrand receiving 90 per cent shareholder approval, which it hopes will come two weeks after an extraordinary shareholders' meeting scheduled for this month.

Last month. Den Danske Bank, Denmark's largest, outbid Svenska Handelabanken, Sweden's largest bank, in a NKr5.8bn takeover of Norway's Fokus Bank. The deal is still subject to Media group has had go the extra mile, write John Gapper and Frederick Stüdemann

approval by the authorities. Storebrand's board must approve an increase of up to 10 per cent in share capital to belp finance the deal. It has so far received more than 50 per cent acceptance from Finansbanken share-

Storebrand's bid, repremium to Tuesday's closing has an enterprise value of price, sent Finansbanken shares surging 27 per cent to | \$12.9bn) including net debt NKr39.50, while Storebrand of DM2.8bn, raises many closed NKr0.50 lower at

Analysts described the bid | tured, why does it want outprice as sufficient, but questioned the possible synergies of the merger.

Age Korsvold, Storebrand chief executive, said the deal would benefit from the addition of Finansbanken's NKr13bn in high net worth banking assets, representing double the asset size of Storebrand Bank, Storebrand's retailing banking

However he said that the takeover would not materially change Storebrand's rank among Nordic financial institutions, as Finansbanken represents only about 10 per cent of Storebrand's NKr17bn in market capital.

Storebrand expects to receive government approval for its two banking concessions after the summer. The company is seeking two separate concessions to operate Finansbanken as a separate bank under the Storebrand group while maintaining Pinansbanken's name, management and employees.

Alternatively, Storebrand could seek one banking coucession and integrate it into Storebrand Bank if a proposed new law by the banking commission does not get approval this year. Mr Korsvold said he would

not exclude the possibility of Sundal Collier, a Norwegian stock broker, advised Storebrand on the deal.

### Storebrand Wolf in cashmere clothes eyes Gucci

It takes a very Machiavellian industrialist to announce they have stealthily been buying shares in an Italian rival on Epiphany, a national holiday in Italy. But that is what Bernard Arnault did vesterday.

LVMH, the French luxury goods group chaired by Mr Arnault, dubbed the "wolf in cashmere clothing because of his predatory business style, disclosed that it now per cent of Gucci, the Italian fashion company which com-Storebrand, which owns petes directly against its Louis Vultton and Christian Dior brands.

Mr Arnault has yet to state his intentions towards he sees the stake as a financial investment, rather than The deal is contingent on a precursor to a bid; but they also interpret LVMH's interest as a sign that the \$35bm luxury goods market may be rallying after two grueiling

/irch Group's valuation

include Rupert Murdoch into

investing \$250m each, pro-

vides an unprecedented

glimpse into a secretive

But the ailing television

about DM23bn (€11.8bn,

questions. The most obvious

side help?

is: if Kirch is so solidly struc-

"If they really have net

debt of only DM2.8bn, then

why are the banks not fall-

ing over themselves to lend

them the money?" asks one

person familiar with the

long talks between Kirch

There are other questions

as well. These include

whether money injected by

News Corporation, Mediaset,

the Italian television group.

and Prince Al-Waleed of

Saudi Arabia, will be swallowed up by pay-TV losses.

The saga of the talks between the investors and

Leo Kirch, 72-year-old head

of the privately-held group

that is one of the leading

German television compa-

nies, began in the middle of

last year when Mr Kirch was

seeking help.
The problematic launch of

DF1, his pay television ser-

vice in Germany, had cre-

ated cash flow problems. The

group had signed expensive

contracts with all but one of

the big Hollywood studios

Mr Kirch's attempt to

solve the problem by merg-

ing DFI into the rival Premi-

ere service controlled by

CLT-Ufa, a subsidiary of

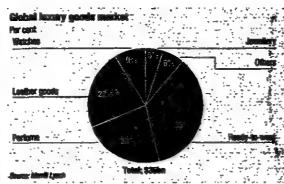
sion on the grounds that it

would stifle competition.

and was losing money.

and potential investors.

of its assets, produced to entice outsiders who



"Arnault understands the luxury business extremely well, and perceives Gucci as a company with growth potential," says Cedric Mag-nelia, an analyst with Credit Suisse First Boston in Lon-

"But he also knows the in Japan, but throughout industry is breathing a sigh of relief because of the yen's firmness against the dollar." It was the yen's softness that berulded the start of the huxury industry's difficulties two years ago.

Habibton. • Sal. 1 (50%)

Talacinco (25%)

Medical (1.3%)

- Library of 12,000 fmi

floated this year or next.

Mr Kirch's proposals ini-

Not only did News Corpora-

tion and Prince Walced bulk

at the opacity of the com-

pany, but Silvio Berlusconi, the Italian media magnate

who controls Mediaset, also

Before Christmas, Mr

Kirch returned with revised

proposals. He said he would

split his company into three

Bertelsmann, was blocked divisions, which would sepa-by the European Commis-rate his free TV interests with those of Kirch in a ven-

and valuable film library

from the loss-making DF1.

distiked pay-TV.

by the European Commis- rate his free TV interests

Television rights to World Cap.

Proposed restructioned dea

Kirch woos investors with new deal

The Japanese tourists, who had once spent so freely on Gucci loafers and Hermès as frequently and buying 90 many duty-free souvenirs. Trading conditions have

south-east Asia.

Luxury sales have remained robust in North America and western Burope. However, the downturn in Asia (which previ-

seeking an injection of \$250m each. At a meeting in this way for investing in

Kirch has told the three

float the Kirch Media and

pay-TV arms together within

an 18-month period. They

could get cash and shares

to compensate if the flota-

tion value is lower than

Mr Berlusconi's reaction

has been to demand more.

Media, Mediaset wants to

ture called European Televi-

sion Network.

return for cash.

\$500m each into his Taurus Milan on new year's eve, holding company. They Kirch Group set out revised

would be able to crystallise terms, suggesting the inves-the value of these holdings tors would gain 3 per cent when Kirch Group was stakes in Kirch Media in

tially met with scepticism. investors that it wants to

since deteriorated not only

42 per cent of global luxury sales, according to Comité Colbert, the French industry body) has destabilised the market and tightened the financial pressure on many

The chief casualties have. inevitably, been weaker brands which were already

losing momentum. Isaac Mizrahi and Todd Oldham, two former US design stars, closed their fashion houses this suramn.

Other brands have been less badly affected, partly because of the strength of the North American and western European markets. scarves, stopped travelling and partly because of the lessons learned by their management during the deeper recession in the early 1990s.

The most vulnerable businesses have been ones which, like Gucci and Prada, had been most successful at selling profitable accessories. such as bags and wallets, to Asian tourists.

However, they reacted ously accounted for roughly- swiftly by renegotiating

Rirch Media, the logic is less

obvious to the other inves-

tors. They would have to

believe that an equity stake in Kirch Media was worth-

One problem is that they

would only gain a 8 per cent

stake each. One person

the other investors will need

far better safeguards - and

higher stakes - to take part.

DML7bn for use of material

Having gained better

little to gain by a quick deal

with the cash, Kirch will

while in thaif

reptals across Asia, cutting promotional expenditure and slowing down store opening

there. Thanks to these tactics and the timely acquisition of its watch manufacturer Gucci recently reported modest growth in third-quarter

net profits. If the yen remains firm against the dollar and the Japanese economy fulfils the government's hopes by pick-ing up in the middle of this year, the luxury market could recover and Gucci would be well positioned to benefit from the upturn.

Mr Arnault could then be congratulated on having made a prescient investment; unlike Patrizio Bertelli, Prada's chairman who spent \$240m on 9.5 per cent of Gucci this summer only to see the shares

He must now be hopin that, whether or not LVMH bids for Gucci, its interest will, at least, enable Prade to exit - with a profit.

#### **US** banks dominate European M&A

US investment hanks topped the European takeover according to preliminary figures released yesterday. The league tables compiled

by IFR Securities Data, the US company, confirms the increasing dominance of USowned banks in European mergers and acquisitions. US banks have beaten their European counterparts on global deals for some time but their success in Europe last year is unusual.

Morgan Stanley Dean Witter, the US bank, advised more European companie involved in completed mergers or acquisitions in 1998 Morgan, which bought Dean Witter, the US retail bank in 1997, gained a 33 per cent market share in Europe by advising on 78 deals worth a

Its biggest deal was the nerger between British Petroleum, the UK oil group, and Amoco of the US. Michael Zaoui, co-head of

European mergers and acquisitions at Morgan Stanley, said yesterday: "Leadership of US investment banks is well established in Europe." Morgan came in fifth place

familiar with the talks says in the same survey last year, which was topped by War-burg Dillon Read, the Swiss owned investment bank Another difficulty is that which came third in 1998. Kirch Pay TV could end up Warburg advised on 128 owing Kirch Media up to European deals overall last year, the greatest number of such deals. Unusually, sec ond place also went to a US terms by waiting, there is firm in 1998. Goldman Sachs advised on 65 European "If the banks don't come up deals worth \$126bn in 1998. More than 6,000 deals were approached the investors proposed investment to get some compensation in person involved. completed in Europe last year worth \$498br.

**NEWS DIGEST** 

BYERGY

#### Total seeks shareholder support ahead of vote

Shares in Total, the French oil company bidding for Belgium's PetroFina, yesterday rose 1.6 per cent to £91, after Thierry Desmarest, chairman, said the deal would have a favourable impact on the combined group's earnings. "The link-up with PetroFina is fundamentally good for the group and for its shareholders," he said, in what was widely interpreted as an attempt to gather support a week before shareholders are scheduled to vote on the planned merger. He said net earnings per share would rise by between 10 per cent and 15 per cent over three years. Total shares have fallen by more than 16 per cent since the deal was announced last month, while the CAC 40

index of blue-chip French stocks rose almost 10 per cent, on fears that the acquisition price - at a 37 per cent premium over PetroFina's share price - was too high. Total executives have been lobbying to convince inves tors of the merits of the transaction. In recent weeks, Mr. Desmarest and other senior executives have travelled to the US to hold talks with analysts and investment manag-

ers. An estimated 50 per cent of Total's shares is held in the US. The company said yesterday net profits would fall by roughly 10 per cent in 1998, to FFr6.8bn-FFr6.9bn (€1.04bn-€1.05bn, \$1.22bn-\$1.24bn), mainly owing to low oil prices, which averaged \$12,7 a barrel, compared with \$19.1 in 1997. Semer Iskander, Paris

#### CARMAKERS

#### Skoda output at record

Skode Auto, the Czech subsidiary of Volkswagen of Germany, increased its production by 12.8 per cent in 1998 to a record 403,310 from 357,405 g year earlier. Skoda, which is owned 70 per cent by Volkswagen and 30 per cent by the Czech government, is aiming to raise output to more than 500,000 by 2001/2002 supported by the launch of key new products. It is the biggest car producer in cartral Europe. A third range of larger Skoda cars, aimed at taking the company further upmarket, is under development for launch in 2001/2002.

Planned capital investment is being raised to DM3.4bn (€1.74bn, \$2bn) in the five years from 1999 to 2003 from the DM2.4bn invested in the years from 1991 to 1998. The investment programme includes ambitious plans for a. DM1bn plant with a capacity to produce 500,000 engines and 500,000 gearboxes a year at Skoda's main Miada. Boleslav site. Construction of the plant is planned to begin

Last year output of the Octavia large family car, launched in 1996, was virtually doubled to 117,529 from 60,690 in 1997 helped by the addition of an estate car version. Production of its best-selling Felicle small car fell by 3.7 per cent to 285,781 from 296,715 in 1997. A new generation Felicia, based on a common chassis platform with the VW Polo is expected to be introduced in late 1999.

#### Ford takes electric car stake

Ford of the US yesterday said it had bought 51 per cent of the shares in Norwegian electric car maker PIVCO industries for an undisclosed cash amount. The acquisition would help Ford develop small, effordable electricvehicles, Ford said. As part of the deal, Ford will assist PIVCO industries in the marketing and distribution of THINK an electronic vehicle launched last year in Finland. Denmark, Norway and Sweden, it plans to introduce a funther developed version of THINK in North America by

PIVCO, which formed a new company shortly after filing automotive alliance to provide capital and a global market ing network. Veleria Sköld. Oslo

#### **Valeo sales rise 16%**

Sales rose sharply last year for the fifth consecutive year at Valéo, the French automotive components group, to FFr39.5bn (68.02bn \$7.1bn), 16.2 per cent higher than in

The company's shares closed 1.56 per cent higher at 633 yesterday, before the announcement.

Valeo said its turnover had grown at an average annual rate of 19 per cent over the past five years. Second half sales included the electrical systems activities acquired in June from ITT Industries for FFr10.2bn. Full year sales would be equivalent to FFr47.6bn after consolidating the acquisition. Samer lekandar, Paris

#### HEALTHCARE

#### Ciba Vision sees sales surge

Sales of Ciba Vision, the smallest of Novartis's three healthcare divisions, are poised to accelerate sharply following the successful testing of a new treatment which helps prevent the most frequent cause of blindness among old people. Clba Vision and QLT PhotoTherapeutics, a small Vancouver-based biotech company, have released teporfin). It shows that the therapy preserves vision in a significant number of patients with the "wet" form of agerelated macular degeneration (AMD), the leading cause of blindness among people over the age of 50.

An initial 12-month analysis of the 24-month trials show that Visudyne can preserve, but not restore, vision in a significant number of cases. Dr Nell Bressler, professor of ophthalmology at John Hopkins University school of medicine, has described the treatment as a "significant break through".

As a result of the early trials, QLT and Ciba Vision expect to file for regulatory approval of Visudyne later this year and hope to be marketing the product in early 2000. Ciba Vision has paid 60 per cent of the development costs. and QLT 40 per cent. Ciba Vision will market it worldwide and the two companies will split the profits on a 50:50 basis, William Hall, Zurich

Comments and press releases about International companies coverage can be sent by e-mail to international.companies@ft.com

### Carrefour

#### SALES, TAXES INCLUDED AS OF DECEMBER 31, 1998 December 98 Group sales: 6.3 3 597 31 179 • in FF author 17 567 2 041 115 231 13 389 n fF million

In december, Correlour opened 6 stores: the 11th, 12th, 13th and 14th stores in China (Dongga 9 500 m², Shanghai Pudong Jinqiao, 11 000 m², Shanghai Gubel, 11 500 m² and Beizhan, 8 500 m², the 6th store in Korea (Ulsan, 10 100 m²) and the 21st store in Taiwan (Hua Lien, 9 000 m²).

The Group operated 351 stores by end 1998.

#### United Kingdom

U.S.\$2,000,000,000

Floating Rate Notes Due 2001

In accordance with the provisions of the Notes, notice is hereby given that, for the Interest Period commencing on (and including) 7th lanuary 1999 to (but excluding) 7th April 1999, the Rate of Interest applicable to the Notes will be 4.81125 per cent. per ansum. The interest Payment Date for Coupon No.10 will be 7th April 1999, and the Interest Amounts will be US\$12.03 on Notes of USS1,000 la principal amount, US\$120.28 on Notes of US\$10,000 in principal amount, US\$1202.81 on Notes of US\$100,000 in principal amount and US\$12028.13 on Notes of US\$1,000,000 in principal amount.

#### Bank of England

Agent Bank

### Baan shares rise by 9.5% after \$75m cash injection

By Gordon Cramb in Acesterdana

Shares in Baan Company, the Dutch maker of business software, jumped 9.5 per cent yesterday as it announced it had received a \$75m cash in Baan. injection from a US investor

Baan will be able to offset the funds against a \$110m taken before tax in the quarter just ended,

one in five staff after a slide into loss as customers

delayed orders. Fletcher company is also listed on the International, a private fund US Nasdaq market, where agement, has provided the the technology sector. sum in exchange for shares

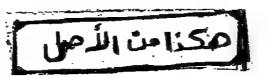
restructuring charge being for no more than \$16 per investment to \$225m.

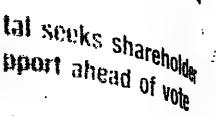
€10.40, up 90 euro cents. The Baan,

affiliated to the New York- Fletcher has made a number based Fletcher Asset Man- of smaller investments in A Fletcher official refused

n Baan. to elaborate on the accord, which allows Baan in Octob these from August, with ber to ask for a further \$75m, their number based on and gives Fletcher the future price movements but option to take its total

If the initial tranche is Baan shares, which had exercised at the maximum The company is shedding plunged last year, closed in price, it would provide a one in five staff after a slide Amsterdam last night at stake of some 2.5 per cent in



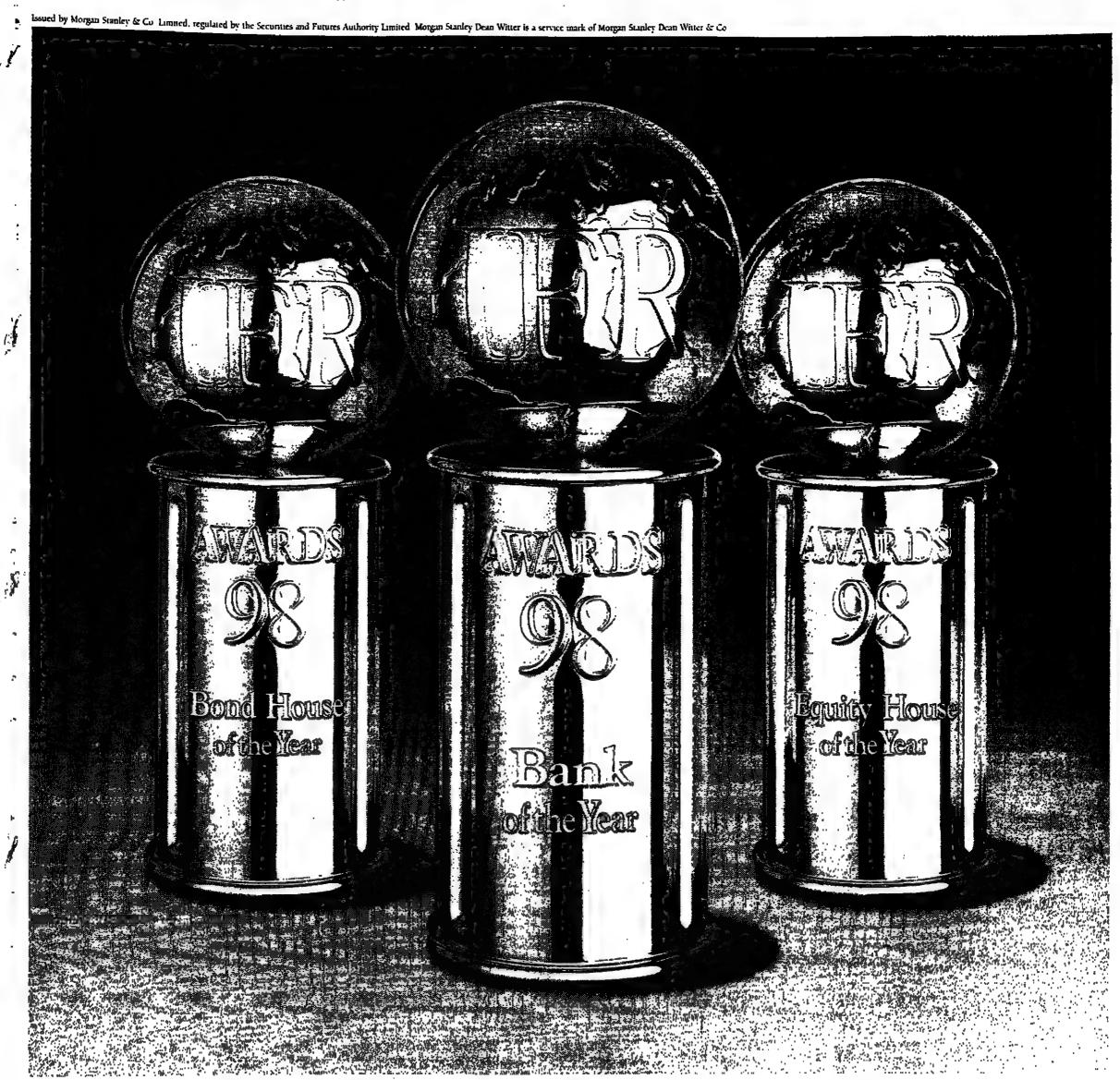


観念が

oda output at record

den schooling 16%

DA Warren to a soles sur



### Thanks to a world of great clients.

Being named Bank of the Year as well as Bond House of the Year and Equity House of the Year by International Financing Review is an honour that goes straight to our hearts.

Not our heads.

And it gives us an opportunity to thank all our clients for allowing us to help them achieve their goals - from building companies to building whole economies.

At a time of market volatility and global change, their choice of us is

a ringing endorsement of our belief that people make the best investment.

For we have built not only an extraordinary global network of offices and services, but a cadre of professionals who know how to bring out the best in themselves and one another.

They are people who rest on no laurels, but build on them. And whose approach to the most difficult and complex situation is positive.

Anything is possible.

We look forward to helping our clients achieve even more in 1999.

### MORGAN STANLEY DEAN WITTER

Milan

### Banks apply for Tier 2 capital help

Thai Military Bank and Bangkok Bank both confirmed vesterday that they are seeking Tier 2 capital but Thai Military Bank apply for Tier I help.

its comments came after Tarrin Nimmanahaemindas. finance minister, said Thai Military would apply for Tier I support. Although all lenders must provide the central bank with a viable capital-

Diversified Indian

group must decide

what to do with its

writes Krishna Guha

India's stock market.

Since January last year,

Wipro's shares have risen

from Rs466 to Rs2123.5 on

Tuesday in a falling market.

(\$16.3m), up (rom Ra256m)

zim Premji, chairman of Wipro, is the darling of

other activities,

still showing reluctance to bite the Tier 1 bullet. So far. only Siam Commer-

cial Bank has said it would help from the authorities. apply for Tier 1 support - a swap of government bonds denied that it had decided to for preference shares. The state could end up holding 40 per cent of the equity under SCB's current Bt22bn (\$609m) capital plan.

The government's August 1998 bank support package imposes much tougher conditions on banks seeking adequacy plan this month - Tier I support than on those

Wipro: the stockmarket darling

Share price relative to the S&P Composi

an IMF requirement - the opting for Tier 3 assistance, 1 requirements may be surviving institutions are Existing shareholders in aimed at Siam Commercial banks seeking Tier 1 funds would effectively see their stakes wiped out.

> seek Tier 2, non-equity help under the support programme: a relatively poinless exchange of bank debentures for non-tradable bonds. The cabinet approved the

issue of Bt1.7bm in bonds to boost SCB's Tier 2 capital. making it the first institution to obtain state assistance under this scheme. Analysts said the stiff Ther

Software success gives Wipro hard core problem

Bank, Thai Military Bank and Bank of Ayudhya, which have been relatively unsuccessful in recapitalising and were slow to exploit a stock market upturn - as did BBL and TFB - for funds a year

Foreign investors remain deeply wary of the sector, and non-performing loans are likely to hit 50 per cent this year. It also seems inevitable that more banks will end up in the authorities

Sonakul, Bank of Thailand governor, said earlier that the Bangkok Bank and the Thai Farmers Bank have the resources to survive at least

Even government assistance does not immediately end the pain, since it empha sises improving the appearance of capital adequacy without injecting significant fresh liquidity.

Observers still believe the government may have to buy had debt to avoid losing the whole sector.

The remaining strand to

Wipro's strategy is to exploit

the opportunities that lie in

combining software skills

with expertise in other

industries. Computer hard-

rare is one obvious exam-

ple. Mr Premji says the

unglamourous hardware

division adds credibility to

Wipro's software skills and

opens doors to new business.

equally well to medical

systems. "We find high syn-

ergies between the medical

says Mr Premii. "One good

test is the transferability of

sales people and research

about Wipro's non-software

businesses while the soft-

ware boom has carried its

shares ever higher. Even

now, bowever, many privately have complaints, "I

do not understand Wipro.

says one fund manager who

holds the company's shares.

He says he finds it impossi-

ble to justify spending 40 per

cent of the advertising bud-

get on consumer products or keeping the power cylinder

Investors have kept quiet

and development people."

and computer businesses.

But the approach applies

#### Nissan Motor disposals continue

By Alexandra Harney in Tokyo

Nissan Motor, Japan's second largest carmaker, said vesterday it would sell for an undisclosed sum most of an unlisted loom manufac turing subsidiary to Toyoda Automatic Machine Works, a machinery manufacturer affiliated to Toyota Motor.

The move is part of Nissan's restructuring drive, launched last year amid the Japanese car industry's worst shump in decades. The carmaker, which expects losses of Y30bn (\$269m) this year, aims by 2001 to reduce consolidated debt by Y1,000bn from Y3,900bn last year, and to lower expenses by Y400hn over the same

It follows the sale of Nippo Agency, a promotional mate rials unit, to TBWA Worldwide, the Landon-based marketing group, and the sale of the company's Tokyo headquarters last year. Nissan is also believed to

be in talks with Daimler Chrysler, the German-US automotive group, to sell Nissan Diesel, a truck and engine manufacturer in which it holds nearly a 40 per cent stake, although the company declined to comment on the discussions

The sale of the water-jet textile machinery business, which represents about 80 per cent of Nissan Texsys's operations, will take place in April.

Nissan Tersys is capital-ised at Y9bn and reported sales between Y10bn and Y20bn last year, according to Nissan. The Tokyo-based company employs a workforce of 830 and makes equipment for textile manufacturing, mainly water-jet and air-jet textile

The details of the deal will be finalised next month. The deal was announced

after the close of trading. Shares in Nissan jumped Y22, or nearly 7 per cent, to Y356 yesterday on rumours about a possible tie-up with NEWS DIGEST

#### INSURANCE

#### Sun Life set to form Indian alliance

Sun Life of Canada yesterday joined the wave of international companies poised to enter India's insurance market when it detailed plans for a wide-ranging financial services alliance with the Aditya Birla group. The move comes as Indian politicians continue to battle over the fate of a bill to end the state's monopoly in the sector which tabled in parliament last month but referred to committee. Sun Life will take a 50 per cent stake in three existing

lished as soon the reforming legislation is passed. Donald Stewart, president of Sun Life, said he was optimistic that the sector would be opened soon. Aditya Birla will end its existing joint venture with Capital

Birla companies, in stockbroking, asset management and

retail distribution. An insurance joint venture will be estab-

International in asset management. Sun Life and Aditys Birla join a number of alliances. including the Tata Group and American International Group, and Prudential of the UK and Industrial Credit and Investment Corporation. Krishna Guha, Bombay

#### RANKING

#### **IBJ** joint venture dissolved

IBJ Schroder Bank & Trust, the New York-based joint venture between the industrial Bank of Japan and Schroders, sterday said the partnership had been dissolved following the purchase of the shares held by the UK merchant banking group.

The company, renamed (BJ Whitehall Bank & Trust, purchased Schroders' remaining 2,3 per cent stake for an undisclosed amount, The Industrial Bank of Japan had originally purchased a 49 per cent stake in the former J. Henry Schroder Bank and Trust in 1985. This was Increased to 97.7 per cent in 1989. IBJ Whitehall, which was capitalised at \$239.7m at the end of June 1998, according to IBJ, expanded its fund management capabilities last April through the acquisition of Delphi Asset Management for about \$20m.

industrial Bank of Japan yesterday sald it had bought out Schroders and given back its name after the UK group had indicated that it wished to concentrate on its own investment bank activities in the US. Nacko Nakamse, Tokyo

#### VIETNAM AIRLINES

#### Passenger numbers down

Vietnam Airlines transported 2.48m passangers last year, down 2 per cent from 1997, it said yesterday. The number of passengers on its international flights reached 900,000, down 5 per cent from a year earlier and 10 per cent from 1996. It blamed the fall on plunges in tourism and businesses affected by the Asian financial crisis.

The group said it transported about 40,000 tons of cargo last year, roughly on a par with 1997's volume. Although the company declined to disclose revenues, it said it was "relatively affected" by devaluations of the dong and regional currencies as it receives much of its revenue in dong but pays for fuel and leasing in dollars.

### Rhires Lehma ire to raise \$3bi

fin probe all

wing cuts knoc

4000

أخركوه والمدا

1 - 25-4

ب خارد بوسم . .

, reserve Section 1

1 فروس معطينين أتؤجره

#### Wipro, a diversified con-1997 glomerate and India's second biggest software exporter. is the country's fourth biggest Corporation's sales - the private-sector enterprise by market capitalisation. It main listed company plus recently reported first-half joint ventures - but 66 per pre-tax profits of Rs695m cent of profits, including

last year. 57 per cent of sales and the centre of the most impor-75 per cent of profits. tant debate in Indian corpo-"The market is valuing rate circles: whether companies should focus on one software," he says, "informacore activity or continue to exploit opportunities in a nant part of our business. business environment with a and it is going to be increas limited number of credible ingly so because of the Part of the problem lies in in software services. There is

Wipro, They are buying a high-growth software stock, to 60 per cent plus." whereas Mr Premji is man-He believes that in three aging a diversified business with interests spanning technology will provide a soap, medical equipment, much bigger proportion of computer hardware, light sales and profits, transformbulbs and power cylinders. Last year, software pro- pany with a number of other

computer bardware, information technology generated

our company on the basis of tion technology is a domigrowth rates - particularly He points out that they are how investors perceive no other business in the world today that grows at 50

> or four years, information ing Wipro into an IT com-

You've heard the

€uro Ballyhoo!

@ccess €urope Ltd.

a BACS solution provider, proudly announce that

BANK BRUSSELS LAMBERT

have installed our latest €uro

electronic transaction software

To find out how we can help you with the €uro

and to see our comprehensive range of

electronic transaction products .

visit our new Web site at:

www.access-europe.com

Or contact us by telephone on:

0181 408 7888

Fax: 0181 408 7887

E-mail: info@access-europe.com

Financial Times Surveys

FT 500

Friday 22 January 1999

For further information, please contact:

lan Ely-Corbett in London Tel: +44 171 873 4148

Fax: +44 171 873 3062 email: ian.ely-corbett@FT.com

FINANCIAL TIMES

No FT, no comment.

<u>Year 2000</u>

This, however, raises the question of what to do with these other divisions, that provide half of Wipro's turnover and employ the majority of its staff.

Most investors regard them as an unnecessary drag on the IT business, and would like to see them sold. Some go further and suggest Wipro should exit the lowmargin hardware business to become a pure software com-Mr Premji has other ideas.

leaders in their own niche markets and while he promises to restructure the non-IT activities, he has no intention of getting out of "We will focus these other

businesses more and we will be in more value-added seg- ' says gives Wipro exposure to ments as against commodity

vices conglomerate, in which non-software businesses would provide about onequarter of sales turnover "The services market is a faster-growing market than

the product market glob-

ally," he says. "If you do it

have any plans to divest

businesses in the next 34 to

If he has his way, Wipro

would be a software-led ser-

36 months

successfully it has higher For example, the computer hardware business will focus on after-sales service. It is very profitable, he says. After-sales activities already account for 16 per cent of hardware revenues and are growing at 35 per cent plus a

If software growth falters, the pressure on Wipro to divest is likely to mount Meanwhile it is up to Mr year. The power cylinder Premji to prove that his serbusiness, which Mr Premii vices vision is a convincing formula for profit and not a way of justifying a corporate any future infrastructure spending boom, is growing

#### ETBA Finance

CHOIRC & FINANCIAL REFLYICING B.A.

FIRST INTERNATIONAL PUBLIC TENDER FOR SALE OF THE ASSETS OF "THE COMMERCIAL & INDUSTRIAL COMPANY FOR THE SALE & RECYCLING OF METALS S.A." known on "REMET S.A."

THIS COMMERCIAL & INDUSTRIAL COMPANY FOR THIS SALE & RECYCLING OF METALS S.A.: (REMET S.A.") owns a factory In the industrial zone of Astac for faciling, importing, exporting, producting, producting and electring famous and com-features materia, who cables of all types, acrap metal, as well as high-technology products and machinery of all types. The unit is installed on a self-owned plot totalling 6,029 erfor area which is second all around and inclengular in shape and fixeds a paved road. There is a weigh bridge by the central entrance of the open area.

The building in which production takes place is 67% or in even and also had a shed 342.67 or in even plan a small electric power company building 18 or in even. The building has been constructed with pselabringed paintened galaxies excitors (soft) wells are college), with current floors and make window and door feareds. rical emissions is suitable for the above-contributed complete contailors.

rdance with the provisions of article 40s of Law 1989/1990 as supple Law 2000/1991 as correctly in force; the terms contained in the present Announcement and the terms contained in the Othering Memorandum, regardings of whether or not shay are repeated in the present. The submission of a binding offer implies acceptance

Offices must be accompanied, on pensity of currentation of the office, by a tester of generatine from a first class bank legally on Greece, to the amount of titly relition discharace (GDR 50,000,000) as perspectiven contained in the Officing Mismorand until the education for law highest wind signature of the education for the highest bidder.

passes was per war three serving stress the effected minoral, in what currency and the method of payment (whether in cash or or credit). In the event that payment to be no credit the offer most state the number of instalments, when they are so be paid and the interest rate during the writer period up to truly waterness. It mentions to not reach of it the method of payment by whether the believes on credit with one interest rate of interest rate of interest the currence and of all the method that a) the amount will be paid in cash, b) the believe or credit will not be an extend with our credit will not be an extend of the method in the believe or credit will be care payed on credit will not be an extend of the believe or credit will not be the transfer on the believe or credit will not be the transfer on the believe or credit will not be the transfer on the believe or credit will not be the transfer on the believe or credit will not be the transfer on the believe or credit will not be the transfer of the believe or credit will not be the transfer of the believe or credit will not be the transfer of the believe of cities to credit of the transfer of the believe of cities to credit of the transfer of the believe of cities to credit of the transfer of the believe of cities to credit of the transfer of the believe of cities to credit of the transfer of the believe of cities to credit of the transfer of the believe of cities to credit of the transfer of the believe of cities to credit of the transfer of the believe of cities to credit of the transfer of the believe of cities to credit of the transfer of the believe of cities to credit of the transfer of the believe of the transfer of the transfer of the believe of the transfer of the s facery is offered for any hint of production that the purchaser may choose. In any eneal, however, the purchaser must at his In expense and care, see to the corresponding lessing of the necessary work pentils.

in the event of part payment on credit, the present value will be below into account, which will be calculated with the interest rate of 810 fatest leave of state bornic of one year's duration, if the olive is made in lovelyn currency, for its conversion into discisment, the fixing price of the Bunk of Greece on the livel day for the automission of olives to the present leaving with the week.

In The elephants which naive up the company's assets shall be noted that is and where it is upon expectably, to their actual and tagal condition and at the place where trey we situated on the day of eignance of the sale contact. The liquidator and the oreGime are not responsible for legal or actual delects or delicarcise of any kind of the objects for sele, nor for any incomplets or incounties execution of them in the Otherty Blenchandson for selection of them in the Otherty Blenchandson for incounties, should, with their own expense, both tata and form their own excessions of the objects for sale. The elements of an office implies that the elements purply in fully aware of the legal and actual state of the objects for sale.

In order to obtain the Ottering Marmoteudurs and for any additional information, a apply to the offices of the figuration ETEA FINANCE Economic & Fiburnal Services S.A.

1 Extentionaus & Vos Congestinou Sta (4th Floor) Athens,
Tel. (301) 7580210, (301) 7580275, (301) 75803984 (Air. Ch. Papadimitriads and Miss. S. Anagnostopoplas).

#### **CONTRACTS & TENDERS**

ANNOUNCEMENT

STBA FINANCE ECONOMIC & FINANCIAL SERVICES S.A., existifiabled in Athens (1 Serbushanous & Visa, Constantinou Sta.), in In capacity as special liquidator, by virbus of Ducision No. 4669/1996 of the Athens Court of Appeal, of the above company which in In special liquidation as par article 46e of Law 1982/1980, as supplemented by article 14 of Law 2000/1981 as customly in force ANNOUNCES

obministral Public Tunder, with besied, binding office for the sale of the is MY POR THE SALE & RECYCLING OF METALS S.A." (REMET S.A.").

Stimmery data on the company under liquid

#### Throse of the Ana

eted passies may detem a detested Officing Macromodum and ask for any other information on signature of a confide

the offers will be operand by this above-transforms natury in her office at 14,000 fromts on Thereday, 26 Janu poster who have submitted birding offers wights the time limit was entitled by atland the opening of the offers

the highest blocker to the trender will be the one whose offer will decembed by the conditor ETBASA, following the proposal to this effect by the liquidator, so be the most satisfactory for the conditors of the company in liquidation.

11. In the event that the person to whom the except of the company under liquidation are expeditable fells in his chilgation to expensit the time and piece appelled in the legislator's invitation, in order to sign the relative context in accordance with the terms of the present Armountement and of the other, as fruity composed, then the guessites, as above, is forthered in throter of the legislator and the creditors in order to cover all expenses of any land, then appell and in spent become purposed. With no obligation to provide proof of such, or consider the amount as a penalty clause and collect it from the guestantor best.

The Equation and the creditors been no supportability sevends participants in the tender, both with regard to the report assessing the offers, to their proposal of the highest bidder, to their decision to report the tender and, generally, with regard to other classifican laters concerning the procedure and deposition of the tender.

13. Trease parties taking part in the tender and substating offers do not acquire any sight, claim or demand term line procurement and from their perficipation in the tender, against the liquidator or the condition for any cause of majors. A According to part. 13 of stricts 46s of tent 1892/1990 the sale contract and the reconstant tentions account from a set of party of the transaction are extended from sever, class or state party rights or starp classes, while the rights and less of notation, tentyons, suppression and manageness are restricted to 30%. Any departure incurred in the state of the excels (VAT, the lines of lawyers, notations and manageness, facility expensions, star.) sights and other expenses are to be bound by the buyer.





ON GLOBAL FITTINGS TRADING PLOORS NOW AVAILABLE TO PRIVATE INVESTORS. ED&F MAN DIRECT © 0500 565717







Fer PRIE lide and denne CD, call 0171 867 8867

FOREXIA FAX \$ AN 64A REGILATED FO. WITH 25 YEARS EXPERIENCE OF FORMULE EXPANDED COMMENDATIONS DAILY FOREIGN EXCHANGE FORECASTS AND RECOMMENDATIONS Tet. +44 181 948 8316 FAX: +44 181 948 8469









derwater venture ne tking to stay afloat

The second second STANDARD TO STANDARD

110000

material Communities

ger than the second

ALCOY .

Contract the delication THE RESERVE THE PARTY OF THE PA The same and the same of the s A TON MAKE A Prince of the Paris 

The same second - -Street Street The state of the s The state of the state of TECH THE SAME SHEET THE The same and the

10 40 mg & 100 mg 100 m 1990年/K 地震。 The same of the sa

A STATE OF THE PARTY OF THE PAR 

All Bridge Control



### Griffin probe alleges unauthorised trades

and Mikki Tait in Chicago

ACE

K.

 $M_{\rm eff} = (2^{k}/2)$ 

**編 M**EELES

enger mumbers down

PRILATE INVESTOR

Dia

Life set to form

unt venture dissolved

42.50

. ? "U-" \$5

1000

137.7<u>8</u>

ın alliance

Co, a Chicago derivatives futures on Eurez, Europe's were related to those of Mr losses led to the closure of losses at Griffin emerged as firm, has uncovered alleged unauthorised trading by a

with the firm's London night whether the alleged Fahner's office said he was ing them from trading on firms, allowing them to conoffice, incurred losses of losses, which people familiar in meetings in Washington the London International tinue trading normally on 26.2m (\$10.3m) just before with the matter said were DC and not immediately Financial Futures and the Chicago Board of Trade The investigation into the Christmas in trading Ger- estimated initially at available. collapse of Griffin Trading man government bond between \$1.5m and \$2m.

biggest futures market. It is understood that inquisenior executive at the firm ries into the collapse have used to refer all calls and (Derivatives). As a result, Futures Authority in Lon-ners in Griffin's liabilities" which could have cost it up uncovered possible unau- requests for comment to Ty funds held at Griffin by don today to challenge its but that they had not been thorised securities trading Griffin filed for bankby Scott Szach, the chief attorney-general at the pendent traders or "locals", assets. Traders who used sharing. The locals have ruptcy last week after John financial officer at Griffin in Mayer Brown & Platt law who used it to clear their Griffin in Chicago had their taken legal advice on the

Park.

Mr Park's pre-Christmas Griffin yesterday contin- of an associated firm, GLH meet the Securities & were being treated as part-

Options Exchange.

The likelihood of further Exchange. Griffin's London office and the locals were preparing to meant independent traders

set a minimum price signifi-

cantly above analysts' expec-

It wants at least \$38 a

opening price of \$30 - would

nies that have expressed an

UK-based BP Amoco, Repsol.

the Spanish oil company, Italy's ENI, Consolidated

Natural Gas of the US and

energy group.

raise 22nn.

and the Chicago Mercantile

One local said the freezing

energy analyst at Credit

don't see anyone making an investment of this size

However, under the com-

standing shares, which at

\$38 a share would value YPF

two-thirds of the sharehold-

drafted to stop YPF, Argen-

The clause was originally

#### **Phillips Petroleum to** cut jobs and spending

**NEWS DIGEST** 

Phillips Petroleum yesterday joined the long list of oil companies to cut jobs and capital spending in reaction to the worst industry conditions in 12 years. The Oklahomabased group said it would cut about 1,400 jobs from its 17,200 workforce, reduce 1999 capital spending 30 per cent to \$1.5bn and take other cost-cutting measures,

which it says will save it \$230m annually.

The company expects fourth-quarter results to be near break-even before taking about \$339m in charges. Exploration and production spending will fall 44 per cent to \$800m, far ahead of the average 11 per cent projected for the industry in 1999 by Salomon Smith Barney. The company also said that replacement of oil reserves in 1998 would be 60 per cent instead of a planned 60 per cent, as low oil prices make some projects uneconomic, Reuters, New York

#### Alliance to buy terminal

An international consortium including Enbridge of Canada. a leading energy transport, distribution and services company, has reached an agreement to purchase an oil storage and ship loading terminal in Venezuela from state oil company Petroleos de Venezuela for \$385m.

The consortium includes Williams International and Northville Industries, with 45 per cent and 10 per cent stakes, respectively. Enbridge, holding the remaining stake, said it saw opportunities to expand the terminal and expected earnings to "ramp up" in coming years. Raymond Colitt, Caracas

#### **ECUADOR**

#### Bank regulator blocks merger

Ecuador's banking regulator decided on Tuesday to block the marger between Banco del Pacifico and Banco Popu-iar which would have created the country's largest bank with combined assets estimated at \$2.3bn.

Though shareholders approved the merger unanimously in November, a foreign shareholder group with 13 per cent of Pacifico's stock decided to oppose the merger. The regulators said the fusion could continue once the bank and the shareholders had settled their differences,

Pacifico and Popular said in a joint statement that the regulators acted unlawfully, that they were studying legal means to reverse the decision and that the merger would

### Park, a trader associated Chicago. It was not clear last firm representing Griffin. Mr trades, were frozen, prevent-funds transferred to other SPA's decision. Boeing cuts knock Northrop | YPF sale price

in Los Angeles and ( Mikki Tait In Chicago

Northrop Grumman shares tumbled more than 7 per cent in early New York trading yesterday after the US aerospace and defence group warned that 1999 profits could be 20 per cent lower than expected, and announced a \$125m charge against earnings for the clos-

ing quarter of 1998. The news, which came as AlliedSignal announced a defence contract for the US sbake-out of its aerospace operations and follows recent profits warnings from Boeing and Lockheed Martin, depressed Northrop's stock as the market hit new group AMP, said a "realign-highs. By lunchtime, the ment" of its aerospace divi-shares had slid \$5% to \$67%. sions, intended to simplify The charge would reduce 1998 earnings by about \$1.18 a share, the company said. We believe the current analysts' consensus [profits] estimate for 1999 is overstated by approximately 15 and cabin pressurisation to 30 per cent," added Kent Kresa, chief executive. How-

ever, revenues were still

expected to increase slightly.

ing's planned production cuts for most of its problems, and said reduced demand for commercial airliner components would reduce 1999 revenues by about \$350m.

It said cuts in 747 jumbo jet production had disrupted its production lines and incurred costs which it aimed to recover from Boeing, and which were not included in the latest charge. About \$20m of the charge was attributable to delays affecting tests of a joint

and UK armed forces.

Meanwhile, AlliedSignal, the diversified group which last year lost a \$10bn battle to take over components the group structure and reduce costs, would yield annual savings of between \$30m and \$50m.

The operations, which include avionics, electronics systems, generated \$3.6bn in quarters of last year. Allied-Boeing, for which it makes Signal shares rose \$% to fuselages and doors, would



Northrop, announced a \$80m charge in jobs next year. August, said recently that revenues in the first three the latest round of cuts at number of redundancies

which more commercial aircraft The move brought the planned for 1999 to about 9,000, or 17 per cent of the

second-biggest energy group. January 20.

Analysts had expected a "This appears a very high price for a passive invest- cal presence from Argentina.

above forecast

Argentina's government has Lyonnais in Buenos Aires. "I

tations for the sale of a fur-unless they believe they can

ther stake in YPF, the move to have control of

mum price - a 27 per cent ypp must make the same premium over yesterday's cash offer for all the opening price of the cash offer for all the cash of the cash offer for all the cash of the

YPF, privatised in 1993, at \$13hn, Alternatively, a

accounts for about 50 per buyer of the 14.99 per cent

cent of all hydrocarbous stake seeking majority con-

activity in Argentina, both trol without buying outright upstream and down. Compa-would need the approval of

interest in the stake include ers to revise the statutes.

boost its privatisation Bids are due to be opened on receipts, now appears relaxed about the ownership issue. However, it will mainfloor price of about \$34. tain its "golden share" to prevent YPF moving its fis-

tina's biggest company, falling into foreign control. But Perez Compane, Argentina's the government, eager to

### The company blamed Boe- \$44% yesterday morning. result in the loss of 1,100 CTR hires Lehman in drive to raise \$3bn

CTR Group, the company total cost of \$14bn. behind Project Oxygen, a planned global fibre-optic missed a self-imposed dead- more than \$15n of capacity cable network, has fired line of last December for over 25 years. J.P. Morgan as its financial raising the first portion of These carriers, including adviser and hired Lehman funds. Neil Tagare, chair- North American Gateway, Brothers to try to raise \$3bn man and chief executive, Russia's Rostelecom, VSNL

leading US telecommunica- people on to our project and of the industry. Larger opertions operator is close to we are confident of raising ators have been reluctant to system. Such an endorsement would provide a critical boost for Project Oxygen, which is hoping to start construction on the first part of its submarine cable system linking Europe, North and South America this spring.

Eventually, the network, which has been bailed as the infrastructure for a new "super internet", aims to the end of the first quarter.

link 170 countries with 300,000km of cables, at a has already signed up over

ng canacity on its the money very soon."

CTR is looking for \$1bn in equity and \$2bn in debt and vendor financing. It has \$500-\$600m of soft commitments largely from investors wanting to participate in internet ventures. None of these are

Meanwhile Project Oxygen 40 international telecoms However, CTR has already operators and pre-sold them

in project financing.

said: "Lehman Brothers has of India and Telecom Egypt.

CTR also confirmed that a put a large number of senior have been at the smaller end systems with which Oxygen will directly compete.

Mr Tagare said the inter for the equity portion, est now shown by larger carriers demonstrated an sector's giants that low-cost, telecoms companies. Mr high band-width networks Tagare is confident that all like Oxygen would transthe equity will be in place by form the industry's econom

### DEPOSITARY RECEIPT LEADERSHIP

| 89 Ahold   | ARBARE TO BE ASSISTED GIVENITY  | Allied Zurich p.Lc.  | ALSTOM   | AMVESCAP   | anglogold  |
|--|---|--|--|--|--|
| NIS WHAT THE SUCCESSOR SPONSORED AMERICAN DEPOSITATE RECEIPT GLORI FACILITY  | SPURSORED MAK GLOBAL DISPOSITARY EXCEPT (GOD) HACKITY  SPONSORED RECEIVATION 5 ELOBAL DISPOSITARY SECURITY (GOD) 14-CUTY                          | STONEORED AMERICAN DEPORTANT   | NYS SAMAI 414<br>SPONIONED AMERICAN DEPOSITRAY<br>MACRITY (ADTO FACILITY   | EUCCESSOR SPONSORTO AMERICAN<br>DEPOSITARI RECEIPE IADRO FACTUTI   | 114 min i 11<br>Sponiora andreas depositati<br>Recept (antitacilati  |
| Bandillabed by  III BANDAR AND   | Percentage of a section of the column   | Seattleburg by  ITS  IN SER  No SER  Processor and appear on a state of an order day   | See assumed to the second of t | Experiment by  | Combined by  10 2000  The same area for desperation of a second order  |
| BANKINTHE  RICCISSOR PONSORED AMERICAN DEPONSORED AMERICAN   | SCORM DESCRIPTION S CHORN DESCRIPTION S CHORN DESCRIPTION S CHORN DESCRIPTION S CHORN DESCRIPTION S   | SPACEA OF CHE SASSAD HIGHER SITE STORIGOED ANGELEAN DEPOSITURY ELECTY (ADDI MICHAELY   | BRITISH AMERICAN<br>TORACCO<br>AVEN WHOM STI<br>STOREGUED AMERICAN DEPOSITALES<br>SECURIT VANDA HACILITY   | NYF SIND I'LL<br>SPONGED AVAILAN DEPOSTAR<br>RECEPT (ADD HATELTY   | SA Le Disposition Communication Color State Communication Color State Communication Color State Color  |
| Bed Andread by  THE STATE OF TH | Englished by  (1)  (2)  (3)  (3)  (4)  (5)  (5)  (6)  (7)  (7)  (7)  (8)  (8)  (8)  (8)  (9)  (9)  (9)  (9  | Board day by    11   12   12   12   12   12   12   1   | Establishing by  13 14 15 15 15 15 15 15 15 15 15 15 15 15 15  | Exactly have by:   | Established by  TEH  10 FG  10 |
| Centrica   | I LESSE EXTRADAÇAMANDAY E LA<br>BROMORDO DIAG GLOBAL DEPOSITUARIO<br>BROMORDO DEGLIATION S<br>GLOBAL DEPOSITAT INCRET ACRES<br>MACILLY<br>MACILLY | 19   | 98.  | PO CO MO  TOMORIO MA AMERICAN BUTOSTATO SECULTATION S AMERICAN DEPURTURE SECULT IADIO AMERICAN | STANDARD IN GOOSE DEPOSITABLE STANDARD IN SECURIT SOUR FALLET STANDARD RECOLUTION & ULDIAL DEPOSITION RECEIPT (CINE) FALLET  |
| Established by  TEN  TEN  TO A SECOND AND OPEN AS A SECOND AND OPEN AS A SECOND AND OPEN AS A SECOND A | Balantindord the  | Ano  | ther   | Transferred by  THE  PLACE  PLACE  THE  COLUMN TRANSFERRED STATES AND A SHARE  | Emplement in   |
| #FINANSHAMK FINANS BROOK A.S.  SPONSOND HAN GLOBAL DEPOSITABLY SPONSOND DISCOUNT SECURITY OF STATE OF  | GOLD PIELDS   | very   | good   | MELLENC PETROLEUM S.A.  PO-GORD IMA GLORA DEPORTAM  ECUIT IODRI FACILITI  PO-GORD RECEIT IODRI FACILITI  EDOGTAM RECEIT IODRI FACILITI   | İŞBANK TÜRKİYE İŞ BANKABI A.Ş. PROBORDI MA GUB U DEPOSITARI BECUM KORI KALIMI BOYSONDO RECUATION B GLOBAL DEPOSITARI EIÇLÜT KORBI BALIMI   |
| THE STATE OF THE S | SPONGORISO AMBIGCAN DEPORTACE BICEPT LADIO FACILITY  Employed by  1137 1137 1137 1137 1137 1137 1137 11   | ye   | ear.   | Embelshed by  (1.14).  (1.14).  (1.15).  (1.15).  (1.15).  | FACE PP Enterthing of top  13 th.  13 N. A. A.  N. A. A.  N. A. A.  The angular front appears on material system of only   |
| Johnson Matthey  | LADBRORE<br>GROUP<br>PLC  | MALTACOM   | W National   | NATIONAL BANK OF GREETE MA   | OTE .  |
| SCHOOL WINDS WORKER  | MONGORED AMERICAN DEPOSITARY RECEIPT MADE PACELLY   | MONBORED MA CLORAL DEPOSITATE SPONSORED MA CLORAL DEPOSITATE DEPOSITATE RECEIPT (CORD RACILLY)   | SACREST AND SACREST  | SPONSORED HAN CALDINAL DEPOSITARY<br>RECEIPT (CHIN FACTILITY)<br>and<br>SPONSORED RECLITATION S CLOSIAL<br>DEPOSITARY RECEIPT (REPUTACENTY)  | 17.9 4 white (TE<br>SPON-FORD MEDICAN DEPOSITION<br>ECCEPT ADDI FACILITY   |
| Extended to  | Emiliabed by  | Epitalished by    1  | Equal Maked by   | Established by   | Excelerated by  THE STATE OF TH |
| PANATON  | AND CHES  | Rhodia   | S continon   | SAP  | sappi limited  |
| SPONSONED HAS GLOBAL DEPOSITADE RECEIPT (GDB PACILITY  ONE  BRONSONED REGILATION S GLOBAL DEPOSITADE RECUPT (GDB PACILITY)   | NVE Sembet CEM<br>SUCCESSOR SPORSORED AMERICAN<br>DEPOSICIANT BLICERY (ADM) MACRETY   | LYSE Symbol III IA<br>SPORSORED AND ILCAN DEPOSITARY<br>RECHIPT IADIO FACILITY   | RECEIPT MAIN FACILITY  ALCOHOLY WERECT DELOSIONES  ALCOHOLY SAMPHERS   | NYE water AP<br>SPONSORDO AMERICAN DEPOSITARY<br>RECOURT MADE FACTUM   | STORGORED AMERICAN DEPOSITIANS INSCRIPT VADRITACIONE   |
| Entertained by   | Established by  | Exhibitation by The Control of the C | Established by   | For all and any and a second state of the st | Calculation for the second sec  |
| <b>TELECOM</b>   | swisscom  | SPONGORDO HAS GLORAL DEPOSITABLE   | <b>¾</b> UBS   | United Utilities   | Call & The Table Company Lumber  |
| LSE SYMBOL SYTD<br>SPONSOMED GLOBAL DEPOSITIARY<br>MSCENT (GDB) ALCALITY   | SECERT (ADID SPECIFY)  STORED AMBICAN DEPORTATE  NYSE SUBMESTERN  | SPONSORED HAA GLOWN DEPORTORED RECORM GLOW AND AND AND AND AND AND AND AND AND AND   | SIGNBORED AMERICAN DEPOSITANT<br>RECEIPT (ADID TACILITY  | NY WHILL L.<br>SPOKEGRED AMERICAN DEPOSITARY<br>RECEIPT INDRI FACILITY   | "YM" "FIRMAL YOT<br>"PONSORED AMERICAN DEPOSITARY<br>RECEIPT (ADM) FACTLITY  |
| 17.11.<br>12.11.12.12  | 118<br>1180 (1)   | Eachtished by  | Entitle but by   | Established by   | Established by   |

www.bankofny.com/adr

### Underwater venture needs backing to stay afloat

Success of vast network is not assured, writes Daniel Bögler

ity. CTR Group, a New posing to encircle the globe with a vast network of But with traffic volumes underwater fibre-optic growing at 80-100 per cent a cables. Dubbed Project Oxygen, the network would span 168,000km across 99 landing points in 78 countries, reaching every continent but Antarctica and furnishing the infrastructure for a "super

Neil Tagare, chairman and promises that Project Oxygen will allow true connectivity from anywhere in the world, erase the distinctions between voice, video and data telecommunications between Japan and the UK. and lower prices to such an Combined with Lucent's extent that carriers will no longer bother to charge for traditional phone calls.

If it is built, that is. start this summer, CTR has ments - and still be able to yet to raise the \$3bn for the charge between four and 100 project's first phase. How- times less than existing ever, the group has just cables. switched financial adviser from J.P. Morgan to Lehman confident the financing will be in place by May.

ever, are less sanguine. Abhi send traffic around the Chaki, analyst at Jupiter world had to buy or lease Communications, says: separate circuits for every 'Oxygen could have a tre- segment along the way, paymendous pay-off. But it is ing transit fees to local high risk, high reward. It rivals. By contrast, those remains to be seen whether who buy access to Oxygen they will get the money will be able to send traffic kick off construction. But under current market condi-

The commercial logic in cost. behind the venture, which Mr Tagare proposed in June Tagare himself. Although

about to turn into real- seabed is already littered people, its chairman is a with telephone cables - most Jersey-based start-up, is pro- of today's international calls industry and was closely are routed through them. involved in Flag. · Even so, CTR has scaled submarine cable system yet according to Jack Kessler,

consultancy KMI. On top of that, Project Oxygen has three big advantages over rival systems. hief executive of CTR, First, its sheer size, which will bring it huge economies of scale. It is six times as large as Flag (Fibre-optic link around the globe), a 28,000km undersea cable an Atlantic Ring between most modern optical networking equipment, Oxygen will have super-high capac-

who runs communications

ity - up to 1.9 terabits per With construction due to second across shorter seg-Second, Oxygen is the first

Independent voices, how- coms carriers wanting to any other with no difference

The third advantage is Mr

The call of the sea may be 1997, remains. Of course, the CTR only employs around 50 well-known figure in the

> back its ambitions. Originally, Oxygen was planned as a 300,000km network conbuilt has remained unfilled", necting 171 countries with a price tag of \$14bn. That was quickly cut into two phases, with the first 158,000km at a cost of \$10bn to be built by early 2003 and ubiquitous coverage, including Africa to be added later. The first phase has now been subdivided, which is why the group is now looking for a more modest \$3bn to build Europe, North and South America by late 2000-

Vis intensifying. Apart from traditional cable systems and new fibre-optic rivals like Qwest and Level3. Oxygen will also have to deal with a growing number of satellite networks. Courteney Munroe, telecoms anasystem designed as a net- lyst at research house IDC, Brothers and Mr Tagare is work rather than using a says Oxygen will be cheapen point-to-point approach, than any of these, but Under the old system, tele- argues that the best way forward might be a joint venture or merger with a satellite consortium to fill gaps in their respective coverage.

Marine surveys are planned this month and the first batch of money will pay for six cable-laying ships to Project Oxygen, so named because it aims to breathe fresh air into the telecome industry, first needs inves tors to give it the kiss of life

### Lucas Varity in talks with several parties

LucasVarity, the automotive and aerospace components group, is debating whether small-scale acquisitions, to everyone else." ioint ventures and alliances

serious blow to its stock

market credibility after

issuing a profits warning.

has delivered unexpectedly

ahead of last year, excluding

the impact of new space. The

news boosted Next shares by

nary stage. One investment banker familiar with the company said: "In this to expand through a series of industry, everyone is talking

LucasVarity is understood rather than a full-blown to be particularly keen to The group confirmed yes- to sell integrated chassis ment." terday that it was in discus- control systems. It said that

to prove considerably better

Next, the fashion retailer than that achieved by its ures to the end of January,

that last March suffered a rivals in the same period, like-for-like sales for the sec-

"Arcadia, House of Fraser

ating they had a terrible

However, analysts warned

against extrapolating Next's

statements next week.

good news to a beleaguered and Debenhams are all indic-

The group yesterday Christmas," said one and revealed that sales in the lyst.

"Next has definitely out-

Eve were some 6 per cent performed the market."

"joint ventures, acquisitions, another 11%p to 226%p, valu- no-premium merger. that these were at a prelimi- dispositions, alliances, and mergers or other combinations.

Although it is thought to have talked to TRW and other US components companies, the group said: "There no-premium merger." can be no certainty that any merger or sale of the com- build up its steering and sus- of these conversations will investors who held shares in pension activities, to allow it result in a definitive agree. Lucas industries before its

"When they report the fig-

rivals in the same period, like-for-like sales for the sectithe January sales were some many of whom will be maked ond half will probably be 18 per cent lower than last

last year, which is exactly

where we thought they

about £150m-£160m (\$252m-

On the whole, the state-ment reassured analysts

that Next was recovering

last year's £184m.

December performance to chandising errors that months are."

\$269m) for this year, against

would be," one analyst said. 18 per cent reduction for Profit forecasts were held at next year.

ing the group at almost 23.2bn. John Buckland, an ty's shares, at 12 times fore. Tenneco, which has been

prompted last year's profit

year, and David Jones, chief

executive, said the group

aimed to achieve a further

"We have shown we have

recovered from our problems

and we will do well," he

"We are still not where we

want to be, but it is a hell of

an improvement on 12

Stock levels going into

Others added that UK port its case for changing ating income would fall this domicile. 1996 merger with Varity Cor- ted to announce any large The statement helped lift poration of the US may be deal until its fourth-quarter

Analysts said Lucas Vari- a strategic review.

analyst with Daiwa, said: cast earnings, were no lon-"Considering the price now, ger at a significant discount most shareholders are to many of their US peer expecting much more than a group - an argument the company had used to sup-

The company is not expecsions with "a number of its strategic options included Lucas Varity's shares by reluctant to accept a second results in March, when it aftermarket sales.

Next has dug itself out of the

suggested as a possible partner for LucasVarity despite being seen as an unlikely candidate, said yesterday that its fourth-quarter operyear to \$25m-\$30m below analysts' expectations. The Connecticut-based company blamed weak automotive

### Next reports stronger trading |Cox sells 12% Telewest stake

Telewest Communications yesterday experienced its share ownership in two weeks when Cox Communications, the US cable group, sold a £450m (\$750m) stake to institutional investors.

The sale represented about 12 per cent of the UK cable company and forms part of a continuing shake-out of the lossmaking UK cable sector which has racked up billions of pounds in investment, and seen many of the original investors exit or merge their

However, the fact that such large holdings can be so readily sold also reflects a growing appetite for exposure to the sector: just before Christmas, Vivendi, the French utilities group, sold a 5.5 per cent stake in Telewest to institutional The sector had been

cable companies performed badly against British Telecommunications in telecoms and British Sky Broadcasting in television. But recent marketing initiatives and rapid consolidation have changed the industry.

Telewest emerged as the UK's biggest cable company, measured on homes passed. last summer when it took over General Cable: a move which brought in Vivendi. Dresdner Kleinwort Ben-

son is believed to have bought 253m shares from Cox for about 175p and placed them with investors at 180p. Telewest shares closed unchanged at 205p. It is understood the US group was keen to quit its only UK investment to free resources for domestic capiinvestment banking to be completent on globalisation

COMMENT

Next

hole into which it stumbled so spectacularly last March. That alone justifies the sigh of relief that greeted yesterday's trading statement. The acceleration in like-for-like growth over the 21 weeks before Christmas, culminating in a 6 per cent advance in the past eight weeks. suggests that the "merchandising police" deployed to correct buying mistakes are working. The trading state-

ments to come from Marks and Spencer, Arcadia and Debenhams are also likely to some the community show Next's figures in a

favourable light. The retailer may have resolved its self-in flicted problems, then, but there are good reasons why its shares, which are 30 per cent below last February's peak may not regain that ground in a hurry. First, Next Directory's catalogue sales fell 2.5 per cent since August. Technical factors were partly to blame, but competition is also getting stiffer. Second, these figures were helped by their comparison with grim results from the previous year. Had the review period included the January sale, when stock clearances boosted sales by 85 per cent in 1998, the headlines would have been very different. Finally, all clothing retailers are facing tougher times than a year ago. Producing decent sales growth when rivals like M&S are struggling is one thing. Next still has to prove that it can outperform again once others are back on their feet.

1996 . 97

Not content with going for world domination in accountancy. PwC now wants to do it in law. It sounds like ambition gone mad, but it would be churlish to dismiss the group's plans. Neither profession is hermetically sealed: tax advice is a prime example of overlap. And if corporate clients want a one-stop shop geographically, it is not umea sonable to think they might want the same in professional services. On the legal side, even smaller firms must increase ingly be finding themselves doing cross-border work. PwC's network would offer them quick access to international expertise. The biggest law firms will, no doubt, be sniffy. Only last year both Freshfields and Linklaters struck up continental alliances. But the legal profession still lags too far behind both the accountants and its precious allies in

### Allied Textile buy-back likely

ing their Christmas trading about 3 per cent down on

strong November and from the buying and mer-

Allied Textile, the carpets and cloth manufacturer, is planning to return cash to shareholders in the coming year, probably through a share buy-back.

The company yesterday announced declines in turnover and operating profits 116%p. for the year to September 30, alongside a special dividend

However, it had £25m (\$42m) cash on its balance sheet at the year end.

RESULTS

tive, said: "We are consulting with our institutional investors to see what form they would like the money returned in. A buy-back seems to be the preferred option and with such a cash mountain it seems sensible." The shares rose 5%p to

The company said it had been a tough trading year which had only seen an increase in pre-tax profits because of income from adverse trading conditions unal fibre companies in east-

6.106 (- )

Earnings shown basic, Dividends shown net. Figures in brackets are for corresponding period. Water exceptional credit,

1.36

(- )

John Corrin, chief execu- profits, including £4.7m of property receipts, edged up from £16.3m to £16.5m.

However, turnover fell from £231.7m to £206.5m and operating profit slipped from £15.9m to £11.8m. Earnings per share were 18.7p (16.6p). Allied is planning a final dividend of 10p, including the 4p special payment, compared with 5.7p last year.

Peter Honeysett, chairman, said the results had bid targets, and was also property disposals. Pre-tax and were better than most ern Europe.

The natural fibres division had a particularly difficult year, with operating profit falling from £6.1m to £2.8m. Mr Corrin said tough competition in the production of basic flannel for winter coats in the US had dragged the

division down.

Mr Corrin said Allied was assessing synthetic fibre producers in the UK as possible been achieved in spite of talking to synthetic and nat-

### Photobition attacks Wace record

By David Blackwell

Photobition, the graphics and media services group that last month launched a hostile 283.1m (\$140m) bid for Wacs, yesterday attacked the five-year record and management of its lossmaking target.

The offer document says Wace has suffered a fall in turnover of 20 per cent since decent price," he said.

1993, incurred a cumulative loss of £19.1m and paid no in the same five years, Phodividend since 1996. tobition has more than qua-Eddie Marchbanks, Photodrupled profits and earnings

bition's chief executive, denied claims by some institutional investors that the bid was an attempt to buy the digital imaging services group on the cheap at a lowpoint in its fortunes. "We are offering quite a

> 0171 522

and doubled its dividend. Its share price has risen above 280p against 30p at the time adjusting for a share split. Wace reaffirmed its rejec-

The document states that

Brown, chairman, said it

ues Wace at 68.6p a share. of the 1995 listing, after There is a full cash alternative at 50n: Photobition is tion of the offer. Peter preference capital. been restructured and was 614p.

The FT GUIDE TO WORLD CURRENCIES, published in Monday's

following number from the handset of your fex machine, 0891 437 001.

Calls are charged at 50p per minute at all times. For service outside the UK.

please telephone +44 171 873 4378 for details on Cityline International.

+46-406900012

Il you would like to advertise.

or require any

further information, please contact:

Sherie Donovan

also offering 239.2m for the Wace shares rose op to

beginning to generate signif-

tcant levels of new business.

21.93 shares for every 100

Wace. At yesterday's close of

287%p, down 3%p, this val-

Photobition is offering

TRY REVIEWS... 191 COUNTRIES... 191 REPORT enie, Corporate arcial Data Ion

Petroleum Argus

CHUGAI PHARMACEUTICAL CO., LTD. NOTICE OF AN ADJOURNED MEETING

olites Alm WJT. 7's miles to Aug 31 95.6 (- )

U.S.\$50,000,000 3% per cent. Bonds due 2000 CHUGAI PHARMACEUTICAL CO., LTD.

Notice is hereby given that an adjourned Meeting of the hisbians of the above South the "Borolholders") concrued by the insure will be held at the offices of Luchlaters & Passes, One Stat. Servet. Lendon France 1980, on a 2nd Jenney, 1999 at 11 am, illustrate mare for the propose of visualization and, if thought far prompt the influence posturence which will be proposed as at it transfers Resolution in activations with the provisions of the Tima Done the "Tima Development of the Segmenter. 1986 male between the longer and Asahi Banda Neclectural Poly 1 the "Timatee" as travers for the Bennicolaters.

EXTRAORDINARY RESOLUTION
"That this adjourned Memory of the Indian southers for the Segmenter of the facilities.

That the advanced Memory of the holders of the manning U.S. SMU 00.000 3°, per cont. Breech the 200 of the "Bonds" of the holders of the substance and the 2500 of the "Bonds" of Chapter Pharmane paral Co., Lab. the "bonds" reconstructed by the True Devel dated Wish September 1. "Phin title "True Devel True Bette and Assist Bands (Notherland) N.V. (the "True reg") as trustee for the holders of the Bonds often the Bonds of the True reg of the Bonds of the Bo

 approves the approximent of the Bank of Tokyo-Minahabi Treat Customy as the new answer for the holders of the Banks (the "New Traster"). 12) authorses and request the Trusses, in such as give effect to paragraph (1), tenths ith to execute a Supplemental Tries Deed in the form of the draft pendaced in the Mectarig and her lite purposes of wheedscannin signed by the Chairman of it is git such assentinguish of an in it as the Trusses shall acquire.

The fusion has accordingly commend at adjourned Meeting of the Boudholders by the shows Notice to respiral their agreement by an Extrapolatory Revolution to the matters strategied at

covers to require time approximately and consistency Restriction for malifier consistency. Restrictions.

The locater consistency flow the proposed module states consistency on the Parametrical Resolutions of the state of the Parametrical Resolutions of the Sectional States of the Sectional Resolutions.

The amort of all Results before, a plant of the two or of the Sectional States Resolutions.

The amort of the Results before, a plant of the two or of the Sectional Resolutions.

The amort of the Trace of a plant traject of the Veryoga and Continue Technology of the Resolution.

Copies of the Trace Special relationship the Corner and Completions of the Books and the draft happeletered all frost Peach elegated on the plant the Parametrical Resolutions of the Books and the available for application of the Resolution of the Resolution of the Paparametrical Special Sections.

VOTING USEQUORUM

A fronth shirt withing to a tend and to see at the Month share for their contralington.

A fronth shirt withing to a tend and to see at the adjustment Morting an person given produce at the Morting to a tend and to see at the adjustment of the visition of the state of the Morting of their the Hambort of a wind to tang certification of the surface to some of the Morting of their the Hambort of a wind to tang certification of the windows to some a Residual Shirt of the adjustment of the windows to some a Residual Shirt of the adjustment of the windows to some of the Part of their their their time to the their of the person of their time to a tend the lines the post of their disconting the Part of their time to the leave to the Part of their time to the leave to the lines the person of the person of the person of the Part of their time to the stretches the stretches to approach of their person approach of the dependent of the person of the dependent of the surface of the dependent of the surface of

PRINCIPAL PAYING AGE AT AND REPLACEMENT AGENT

| | Queen Victoria Sum | Landon (CAN 414 PAYING AGENTS

The Assets Bank Ltd. राष्ट्रका द्वास १५४४ । स्वाद्यासम्बद्धाः Cushank N.A. (Bravelle) Brakking 726 1941 Brakkings Source Constraint 1° Cogn Valery Para - La Defera

Deuts de Bank Aktienresellschaft Green Gallenteres (4-14 D-60273, Franklan The Movie Treet and Banking Company, Landed 6 Broadgate, Landon (CCM 278) Sakara Bank (Lescenbourg) S.A. 11 Boules and Proce Heart L 1724 Lavembo

We want your business.

For more information on business advertising please call;

Tel: +44 171 873 4874

Fax: +44 171 873 3064

UBN AG

"ch January, 1994 Chagai Pharmacentical Co., Ltd. SHOWA HIGHPOLYMER CO., LTD. NOTICE OF AN ADJOURNED MEETING

SHOWA HIGHPOLYMER CO., LTD.

Notice is hereby gream that an adjourned Meeting of the holders of the above Bonds (the "Bondholders") consumed by the letter will be held at the offices of Laskkama, & Palmes, One Silk, Stones, London ECTA\* 480Q on 220d Jamestre, 1995 at 13 00 cm., cloudes times for the purpose of contributing and, if thought fit, pursuing the following resolution which will be purposed as an Extraorthamy Revolution or accordance with the provisions of the Trust David the "Trust Deed" david by November, 1996 made between the justice and Austin Bank (Nederland) N. V (the "Trustom") as trustee for the Bondholders. EXTRAORDINARY RESOLUTION

hat this adjourned Meeting of the holders of the constructing V9,000,000,000 0 7 per over, severable Books due 2016 rithe "Books" to Shown Highprofreer Co., Ltd., the "feature" to valuation by the Trivet Dood dated it a November, 1996 othe "Treat Dood" t under busseen the terr and Avalua Mark ("Metriphel) N.V. the "Treater" is a benear for the bubbles of the flying. (1) approves the approximation of The Bank of New York, London Breach in the new transer for the holders of the Bonds (the "New Travere");

authornes and requests the Tristae, in order to give effect to puragraph (1), forthwish to execute a Supplemental Trist Deed to the form of the draft produced to this Meeting and for the purposes of electrication suggest by the Charman of it with satch arotical metals by any 10 in a set Tristae statif register.

The logar has accordingly convened on unjourned Measing of the Boucholders by the above Nature to topicel their agreement by an Extraordinary Resolution to the numbers contained in

we're Eventuratory nevoustou.

The proposed mealthcateous creatures that the proposed mealthcateous creatures in the Estimated In the Estimated In the Cartalysis will be attended to the attended In the Estimated In the American State of the Estimated In the Est

Insert strongly topes all Bonsholders to vote at favour of the Eutraordinary Resolution.

The attention of Bonsholders is particularly detaren to the quorant required for the adjourned bleeting which is between a paragraph 2 of "bleeting and Quorant" below

Copies of the Town Deed concluding the Terms and Constitutes of the Bonshi and the druft

Supplemental Triest Deed in referred to in the Eutraordinary Resolution set out above will be as artisted for suspects on the Bonsholders at the specified offices of the Payang Agenta set out

lis accusioner with normal procince the Trustee exposures no opinion on the menus of the propused machinass are but his authorised it to be stared then it has no objection to the Extraonistary Resolution being submaned in the Bandhelders for the four coproduction. VOTING AND QUORUM

4 Brauffurlige withing to amend and vote at the adjourned Meeting on pursua must product at the Meeting either the Bondi st, or a valid voting certificate or valid voting certificates tweed by a Paying Agent relating to the Bondi vi on respect of which he wishes to vote. A Bondholder to A wohing to stand and vore at the aljourned Meeting in person rifty states the states of the state Breach may be deposited with any Pryang Agent or the the calibration of such Psychol Agents lock to its order or under its control by Codelbank or the Operator of the Euroclean Vivigance also other nature assessment to a feet the

Results on held or represented. If within 15 minimum from the intent for the adjourned Meeting a quantum is not present the Meeting shall be dissolved.

Every specimen submitted to the adjourned Meeting will be decaded on a show of hintist makes, a post to daily demanded by the Chairmant of the Meeting on the Issuer, or by one or more Bonds or writing, sertificates or being provide and inclining air representing in the aggregate not less than one-fitted in practical amount of the Bonds for the time beam questionating for a show of hands every person who is present at person and produces a Bond or vieting certificate or as a princy shall have one with. On a pull every person who is to present adult have one viet in respect of each \$2,00,000 and pull every person who is not present adult have one viet in respect of each \$2,00,000 and produces of which he is a produced or represented by the vieng certificate of produced or in proposit of which he is a product.

To be passed, the Estraordinary Resolution requires a timposity at Encour combining of and less than three-quarters of the votes cast. If passed, the Eurocorfinary Resolution will be brightly on all the Bonchishders, whether or not present at each adjourned Meeting and whether or not voting, and ignorall the bolders of the copponer relating to the Bonch

PRINCIPAL PAYING AGENT AND REPLACEMENT AGENT The Aught Bank, Ltd. 30 Cappara Street
London EC434 6XH PAYENG AND CONVERSION AGENTS

For Bank (Lavenbeurg i S.A. Centre Financier 29 Avenue de la Parte Neuve L-2227 Lavembourg

Crahank N.A. (Brussels)

Shows Highpolymer Co., Ltd.

Freephone 0800 321 321



0171 940 9600

**PERSONAL** 

PUBLIC SPEAKING Training and speech writing by erd virning species. First lesson free. Tel: (01727 861133)



Forex. Futures & Options

eheite: http://www.unioncal.co.uk

### Tel: 0171-873-4928 Fax: 0171-873-4296 Financial Times Surveys **UK Middle-Market Companies** Friday March 12 For further information please contact:

Catherine Markey in Edinburgh

Tel: +44 131 220 1199 Fax: +44 131 220 1578 email: catherine.markey@FT.com

or Haj Haffejee in London Tel: +44 171 873 4281 Fax: +44 171 873 4862 email: haj.haffejee@FT.com

FINANCIAL TIMES No FT, no comment. 

Land Daniel

ومعاورة الإيمارية

the thereon

Hut air efficience Flor cuts

CONTRACT CONTRACTOR

Contract the

制度

The state of the s

THE PERSON NAMED IN TO LANGE WAY PARTY

A COLOR MARKET AND The Control of Space (

Committee of the second The Designation of THE RESERVE AS

ALCOHOLDS AND AND AND ADDRESS.

The form the war

The Contract of the Contract o

Water State of the Inchient

#### TECHNOLOGY AND MANAGEMENT



#### Hover without bother

Judging height accurately has long been a problem for helicopter pilots flying or hovering close to the ground, but a new acoustic altimeter might provide a solution, writes Marcus Gibson,

Traditional altimeters using radar and laser light (ildar) are well-established but suffer from inaccuracy at low altitudes, says Jeremy Nedwell, director of UK-based Subacoustech and a former lecturer in

coustics. This is due to difficulties in estimating the very short delays of when striking the ground at low altitudes." In addition, says Dr

Nedwell, lidar systems do not work well over water because it is transparent and light is not "scattered" Miclarity, Sound, in contrast,

travels much more slowly - at only 340m per second - allowing very accurate measurements of height. Sound has the advantage of bouncing back from most surfaces, and there are no surfaces that are entirely "absorbent", Dr Nedwell says.

Subacoustech, based in Southempton on the south coast of England, will soon begin aerial trials of its **Boundary and Altitude** Tracking System, Bats, a low-level acoustic aftimeter and obstacle

avoidance system for helicopters that operate below heights of 40m to an accuracy of 2cm.

A compact transducer fitted to the underside of the helicopter emits a beam of ultrasonic sound, typically above 20 KHz. A new and powerful elgorithm (mathematical

formula) is used to

calculate the time taken by the beam to return. When rescue helicopters are involved in activities such as picking up casualties at low level in hazardous conditions, the speed and outcome of the mission often depends on the skill of and

pilot and winchman. The winchman frequently has to relay information about height over the intercorn but the noisy environment can lead to confusion. Dr Nedwell says Bats can be linked up to

co-ordination between the

provide direct input into the helicopter's avionics It would allow a helicopter pilot to retain his station, and also provide him with a critical warning of impact." he Captain Jim Ferguson,

an experienced helicopter pilot, says an accustic altimeter "would certainly help", especially if it could provide spoken readings direct into the pilot's . headphones.

www.subacoustach.com

IN BRIEF

#### Anticipation sets off our mental alarm clocks

Some people seem to have mental alarm clocks that let them decide, guite accurately, the time they will wake up. The way this works is outlined in a paper chi today's Nature, the dentific journal. Researchers at the

University of Lübeck in Germany monitored 15 volunteers over three nights in an experiment that involved waking some of them up earlier than they expected. The results showed that

the expectation that sleep induces a marked increase In the concentration of the hormone adrenocorticotropia in the blood an hour before

Their findings indicate that "anticipation, which is generally considered to be a unique characterístic of the regulation of conscious action, pervades sieep". University of Lübeck Germany, tel 4515003639; s-mail bom@klg.mu-luebeck.de

#### **Drilling for cuts**

The cost of drilling for oil and other natural resources could be cut using "microdrilling", an approach being developed at the US Department of Energy's Los Alamos National Laboratory.

The drilling system, which costs 90 per cent less than ponventional equipment and occupies 5 per cent of the space, can drill holes less than two inches in diameter. One of the advantages of Microdrilling is that it only requires a barrel of fluid per 1.000 feet of drilling for lubricating the bit and motor and removing dirt. Conventional drilling

requires about 40 barrels of id per 1,000 feet. The researchers are also eloping miniature seismic instrumentation packages that can be placed inside the microholes for data gathering. Los Alamos National Laboratory: US, tel

#### HIV cell therapy A ploneering technology for

Introducing large proteins into cells is being used to destroy HIV-infected cells. Researchers at the Washington University School of Medicine say the work is "the first example of an entirely new field of protein therapy". Two enzymes that induce

cells to commit suicide were attached to a protein that . can slip through cell membranee. This combination of proteins caused cells infected with active HIV to kill themselves within a few hours. The month's Nature Medicine icumai, uses a new technique which involves unfolding the proteins before

een, life on Mars. approach may be applicable to other infectious diseases. The technique will next be applied to prostate cancer. Washington University School of Medicine: US, tal 3142860119; e-mail

which could help to cut greenhouse gas emissions.

The high-performance

power system, developed by the United Technologies

Research Centre, blows hot,

pressurised air through a

known as HIPPS, is more

efficient than existing plants

because it does not involve

Researchers used an alloy

lectricity. The system,

creating heated steam.

capable of withstanding

record-breaking 2,000°F.

This could increase power

35 per cent into the upper

Energy & Environmental

www.serc.und.nodak.edu/

50 per cent range.

Research Center: US,

**Vanessa Houlder** 

plant efficiencies from about

pressurised air heated to a

turbine to generate

sage@medicine.wustl.edu developed technology for improving the efficiency of coal-fired power stations,

5056657778; e-mail

### mart@lani.gov

from Mars back to Earth. It is all part of a masterplan for Mars that has been scripted for the next decade. From 2001 to 2011, an invaston of robotic orbiters, landers, hoppers, and penetrators including mini-aircraft and balloons - is envisaged. The main aim is to understand the history of the planet. which in turn would resolve whether there is, or ever has they are passed across the

Dried riverbeds, deep canyons, vast canyon systems, and what appear to be ancient lake shorelines all point to a warmer and damper Mars in the past. The real trick on Mars is

**Hot air efficiency** Researchers in the US have

to figure out where is the says Norman Haynes, director of the Mars exploration directorate at Nasa's Jet Propulsion Laboto bring Mars back to the ratory (JPL) in Pasadena. California. The truth will be equipment," established only if scientists

why the Martian climate underwent such profound

**TECHNOLOGY MARS EXPLORATION** 

of life

on the

spacecraft will visit

Mars over the next

It may be 20 years before human foot-prints are seen on the

sandy stretches of Mars, but

the red planet is set to be a

regular fixture in world space agencies' flight sched-

Space Administration (Nasa)

launched Mars Polar Lander.

It is due to touch down near

December. It follows the

The due of probes, collec-

tively known as the Mars '98

project and costing \$357m

(£215m), are the second

instalment in a long-term programme of robotic Mars

exploration. They continue

the work of the now silent

Mars Pathfinder lander, best

remembered for its

Sojourner mini-landrover

and the stunning pictures of

the Mars surface it sent

back. The Mars Global Sur-

veyor is already in orbit, tak-

of spacecraft from various

nations which will explore

Martian territory before

astronauts can make the

trip. Early next century,

send soil and rock specimens

momenious event.

decade, writes

Leonard David

In search

red planet

"Foremost among the scientific questions we are trying to answer is understanding the biological potential of Mars," says Carl Pilcher, Nasa's acience director for solar system exploration. "Did life arise on Mars? The answer to that question is profound, whether it is yes An international roadmap

iles as they prepare for that for future red planet explora-On Sunday, the US fion includes Ness - which is spending about \$300m a National Aeronautics and year on Mars exploration until at least 2005 - the Centre National D'Etudes Spatiales (CNES), which is the edge of the planet's south polar cap in early France's space agency, and the Agenzia Spaziale Ital-December 11 launch of Mars iana, the Italian space Climate Orbiter, another Nasa project, which should enter its orbit by late Sep-Nasa has begun discussing

collaborative work with Japan, Germany and the European Space Agency (Esa), which could encome pass Bsa's proposed Mars Express project. Due for launch in 2003, this may carry the Beagle 2, a lander designed by the Open University in the UK for seeking signs of life on Mars.

A key element in multi-national Mars research involves using France's powerful Ariane 5 rocket to recently launched spacecraft launch a French-made Mars orbiter in 2005.

ing detailed photographs of the planet. It will scoop up soccer ball-sized containers of Mar-These Nasa projects are tian rock and soil that will the vanguard for an armada have been flung into orbit via small rockets fired from the planet's surface. The CNES-built orbiter will rendezvous with the containers, sending back to Earth the precious cargo for landing, robot vehicles are due to perhaps in Australia, in 2008. Several robotic sample missions are envisaged in following years, with scientists eager to analyse each

> 'Did life arise on Mars? The answer to that question is profound, whether it is yes or no'

bit of material in order to

unveil a past and present picture of Mars. "We don't believe that for the next 10-15 years we can build and launch small enough equipment that can do those kind of measurements on Mars. So we have

are more modest. Mars Climate Orbiter is designed to collect data from the atmosphere and scour the planet

Polar Lander, meanwhile, will cast off a pair of microprobes en route to its own landing. Falling through the thin Martian air, these devices will hit the ground at speeds of up to 200 metres per second and burrow themselves a metre into the soil. The probes are fitted with tiny sensors to detect water ice, measure soil temperature and even to monitor weather conditions at

for water.

their respective impact sites. The Lander itself will carry a two-metre long robotic arm which will stretch out and dig trenches into the surrounding terrain, which is believed to consist of lavered dust, ice and frozen soil. "By digging balf a metre

or a metre into the surface we might be able to examine a hundred thousand years of the Mars geologic record," says Richard Zurek, JPL's project scientist for both

"If you are looking for life, the polar regions offer one environment that might be favourable to the persistence of life if it has developed on Mars," says Dr Zurek. There may be liquid water

ice caps." The lander's mechanical arm is ready for double duty.

Soil samples will be scooped up and heated in small ovens, which will reveal concentrations of water, oxygen and carbon dioxide. Another experiment will bring back the sounds of Mars. Sponsored by The

Planetary Society, a Calififornia at Berkeley scientists, a microphone will on a computer speech recognition chip. Even in the thin its by humans.

movement of the robotic arm crunching into the soil are expected to be heard. A listen-link to Mars will be available through the internet.

passing sand storms and the

robotic missions seem certain to reveal far more of the red planet's secrets. JPL ornia-based public space experts foresee robot colonigroup, and University of Cal- sation of the faraway world

would personally be very surprised if over the next 20 years it turns out to be extremely easy to find Within the opening two extant life on Mars," says decades of the next century, Steve Squyres, professor of astronomy at Cornell University in Ithaca, New York.

"Sooner or later, you are going to want to make the transition to having humans - automaton-run outposts there. And what could make established at prime scien- a more compelling case for record the planet's sounds tific locations on the planet sending humans to explore a - as a prelude to regular visplanet than the search for life." he adds.

found ouestions about Mars

may require human exper-

tise on the spot anyway. "I



#### A brief history of Mars missions

1960s: former Soviet Union launches first Mars probes, writes Leonard David, All fall to fly by the planet or return planetary data. US Mariner 3 fails at launch, but Mariner 4 completes first successful photo fly-by of Mars, followed by Mariner 6 and Mariner 7 which send back further pictures. 1970s: both USSR and US have Mars mission failures early in the decade. Russia's Mars 2 and Mars 3 drop the first landers onto the Martian surface. Both apparently fall victim to a raging dust storm. US Mariner 9 swings into Mars orbit, transmitting thousands of images showing dormant Martian volcances, a large valley and other striking features. Russia's Mare 4, 5, 6, and 7 encounter differing sets of problems at the planet, limiting their usefulness. Duel US Viking landers touch

down on Mars to conduct search-for-life experiments while two Viking orbiters carry out photo-mapping tasks. 1990s: USSR's Phobos 1 lost on way to Mars due to ground command error. Contact with sister ship, Phobos 2, fails as craft nears one of Mars' two moons. 1990s: US Mars Observer lost on approach to planet, perhaps due to falled fuel line. US Mara Global Surveyor settles into Mars orbit and now sends back detailed photos and other science data. Russia's Mars 96 suffers aunch fallure, tumbling back to Earth. US Mars Pathfinder plops down on Mars using air bags, then dispatches Sojourner micro-rover, Japan's Nozomi Mars orbiter now en route to the red planet, along with the US Mars Climate Orbiter and, launched

on Sunday, Mars Polar Lander.

INTERVIEW G.P. GUPTA, INDUSTRIAL DEVELOPMENT BANK OF INDIA

Says

### The corporate surgeon

Mr

He is an experienced hand in the financial sector. But, says Krishna Guha, he wants the bank to stick to its knitting

The new chief of and to launch software venindia's biggest finan-cial institution has a job rather like a battlefield surgeon's. With the industrial economy suffering from a sharp slowdown, G.P. Gupta's first priority is to limit the number of casualties and to nurse fundamentally sound companies back to health. It helps to be an experi-

enced hand in the operating theatre. Mr Gupta spent three decades in project finance at Industrial Development Bank of India where he has now returned as chairman - with an intervening stint as chairman of Unit Trust of India, the country's biggest mutual

His career is testimony to the most powerful nexus in the Indian financial sector: the ties between the Reserve Bank, IDBI and UTI - the state-owned fund manager. which was recently in the news with problems at its flagship mutual fund, US-64. The Reserve Bank, India's central bank, founded IDBI, which in turn founded UTL where it remains the biggest hareholder.

Mr Gupta has brought a touch of market know-how to IDBI, with plans to enter the secondary equity market

ture capital funds. But his approach is generally cautious, and radical ninth biggest in the world change is not on the cards. There has been some restructuring and a new information technology

"We will now consolidate," he save.

strategy.

Unlike many of his peers in India's banking system Mr Gupta remains wedded to the business of industrial loans and project finance and sceptical about the merits of "universal banking". "We would not like to get rug from involved with auto finance

kind of thing," he says. "The culture of a commercial bank and a development financial institution is differ ent, very different."

He is also refuction to take over any of India's existing rates and that demand commercial banks although he is aware that Many industries are now there may be pressure for him to do so in future as lower than estimated when part of a long-overdue consolidation of the sector.

"Merger makes sense if you have full freedom to financial support to those close down branches. retrench employees, cut costs." Mr Gupta says. "At prosper once demand recovpresent all these freedoms are not available."

Mr Gupta's intention is for

"We are an industrial development bank - the and our job is to provide finance to industry. says. But industry is in dire straits and demand for investment is scarce. "After <u>liberalisation</u> in

1991 a lot of new capacity came up," he explains.

'He is not about to pull the consumer loans and that Under troubled companies'

> Demand was estimated on the basis of certain growth pick-up did not take place. operating at capacity levels these projects were approved."

> He says IOBI will give which are going through a bad naich but are likely to

approach will perpetuate the equity stake in many pro- existing borrowers.

problem of non-performing sets, officially 10.1 per cent of the total and by many others argue that IDBI cannot allow huge swathes of Indian industry to go to the

The institution's exposure to the steel industry, for instance, could be greater than its net worth, some analysts estimate. Nursing companies back to health may be the only option.

Mr Gupta has a three-point test to determine whether a company is viable: does it have products of international quality; does it use globally competitive technology; and is it hig enough to compete? He says he will help such

companies restructure: "We will support our borrowers in their efforts to become globally competitive." That may involve acquiring new technology, economies of scale or new markets. For the next few years this type of lending - to fund restructuring rather than

simple capacity addition - is likely to predominate. Mr Gupta says it will help fuel consolidation in Indian jects to exert leverage. industry. IDBI will work with other

lenders to encourage companies to slim down, releasing



Sophie Whitfield

It will lend up to 50 per cent of the value of an agreed takeover, and may act as a matchmaker cash flow to service their between sellers and buyers. Some analysts say this debts, making use of its in many cases both will be

However, Mr Gupta will not finance hostile takeover

"Acquisitions should take place as part of broader restructuring and should

improve shareholder value on both sides." he says.

Wace record

Car disal

**电影电子多数图14年** 



Waiting for the body's wak

### Merger speculation boost for bourses

By Vincent Botand

European stock markets Europe, especially in con- Eurotop 100 index rose 65.58 mobile companies souring continued to power ahead sumer industry stocks, was or 2.39 per cent to 2.524.12, although shares in the UK yesterday as merger specula matched by that in New while the FTSE Ebloc 100 group still ended unchanged tion led to a flurry of activ- York, where the Dow Jones index of shares in euro-zone at 615.45.

holiday period and the against the US dollar.

rises seen so far this week Industrial Average had set a countries rose 19.54 or 1.84

|            | Opea     | Sett price         | Change         | High         | Low | Est. vol | Open int. |
|------------|----------|--------------------|----------------|--------------|-----|----------|-----------|
| jan .      |          | 96.610             |                | -            |     | Q.       | Q.        |
| jun .      | -        | <del>9</del> 7.D20 | +0.050         | •            | -   | 0        | 2233      |
| Sep<br>Dec | -        | 97.040             | # <b>0.015</b> | -            | -   |          | 1101      |
|            |          | 95.790             | •              | -            | -   |          | 666       |
|            |          |                    |                |              |     |          |           |
|            |          | o ornous (         |                | points of 70 |     |          |           |
| Tiple:     | JOHN SIN | CAL                | 18             |              |     | MIS -    | Jun       |
| Strike     |          | Feb CAI            |                | n 3          | Teb | PMTS     | Jun.      |

|     | <b>100</b> ST | YL  | Pile       |       | TOP | 190 1     |     | JF III | 消災  | X) Ec | uiO p | r ind | er po  | ×   |         |    |
|-----|---------------|-----|------------|-------|-----|-----------|-----|--------|-----|-------|-------|-------|--------|-----|---------|----|
|     | 20            | 00  | 25         | 80    | 2   | 00        | 26  | 69     | 27  | 00    | 27    | 30    | 26     | 20  | 25      |    |
|     | G             | P   | - G        | P     |     | Р         | e.  |        | G.  |       | e i   | P     | C      | •   | a       | P  |
| -   | 200           | 5   | 310        | 8     | 263 |           | 214 | 12     | 180 | 17    | 119   | 28    | N.     | 39  | ě       | 60 |
| F(C | 364           | 31  | 353        | 41    | 311 | 4         | 272 | 39     | 224 | 72    | 186   | 87    | 166    | 165 | 197     | 1Z |
|     | 1001          | g P | <b>100</b> | 'a op |     | <b>10</b> |     | 66 . 1 |     | n de  | -     |       | e an i |     | eni est | -  |
|     |               |     |            |       |     |           |     |        |     |       |       |       | -      |     |         |    |

| OTHER  | 1001 | JICES         |                    |                               |                   |                              |                              |                              |
|--|------|---------------|--------------------|-------------------------------|-------------------|------------------------------|------------------------------|------------------------------|
|  | _    | Jim<br>6      | <b>Jen</b><br>5    | Jin<br>4                      | المواد            | LOW<br>LOW                   | Alten en<br>High             | apitalian<br>Law             |
| DJ Store 30<br>DJ Euro 3tx 90<br>MSC2 Europe |      | 7685.36<br> 4 | 3504.67<br>1239.51 | 3474.14<br>3542.39<br>1235.38 | 396-38<br>1315-58 | 2433,67<br>3419,29<br>906,59 | 3570.22<br>366.36<br>1376.55 | 3433.67<br>2419.23<br>510.78 |
| Samer Edulyari                               | d FT |               | "Subject           | io revisio                    | nect day.         | -                            | ibis.                        |                              |

30.11 or 2.46 per cent to The bullish mood in 1,261.32. The narrower FTSE

thick of things, and the sec- France Telecom was \$2.20

although some expressed ces, the FTSE Eurotop 300 cent. News that Vodafone negmann rose €2.20 surprise at the scale of the index of leading shares rose Group was in merger discus- €118.50. sions with its US counterpart AirTouch sent most

Analysts said investors new record high in early per cent to 1,082.42.

were coming back to the wrading. The euro, meanmarkets strongly after the holiday period and the senior the ITS delice.

Analysts said investors new record high in early per cent to 1,082.42.

Once again telecommunisharply. Deutsche Telekom some potential candidate cations stocks were in the climbed £1.90 to £34.65, sourch.

| mt mage spage                                     | 200 20                     | i ha           | uisus            | ar fil       | 1.2U, 3U     | KI MAD-            |
|---|----------------------------|----------------|------------------|--------------|--------------|--------------------|
| FTSE Actuar                                       | ian Ch                     | ara le         | diana            | -            |              |                    |
| Freeze Actual                                     |                            |                |                  |              |              | n series           |
| endeducid on conjen                               | 15II 34K                   | 1 11 11 12     | sarty date       | Foliate 6    | , Section    |                    |
| Jan &   |                            |                |                  |              |              |                    |
| Mariant & Property                                | Band<br>Index              | Spile .        | change           | Year         | 보레           | Total pain         |
| Marketa   |                            |                | points           | Free %       | yet          | (Card) €           |
| FTSE Question 300<br>FTSE Eurotoo 100             | 1861,32                    | +2.45          | +50.11           | 216<br>219   | 0.18         | 1298.84<br>1948.24 |
| FTSE Baboc 100                                    | 1082,42                    | +1.84          | +19.54           | 1.83         | 0.00         | 1098.73            |
| FTSE EuroPolid<br>FTSE EuroPolid Eulos            | 1187.53<br>1274.94         | +1.56          | +18.28           | 2.20         | 0.00         | 1230.55            |
| FTSE Europhid Es UK                               | 1275.57                    | +1.70          | +18.29           | 2.15         | 0.00         | 1301.93<br>1299.19 |
| FISE Barolon 300 Mario                            | _                          |                |                  |              |              |                    |
| Eurobioc  | 1352.21                    | +1.80          | +23.97           | 1.88         | 0.00         | 1381.15            |
| UK<br>Europe Ex-Eurobie:                          | 1137,48                    | +4.17          | +44.50           | 2.66         | 0.21         | 1194.51            |
| Europe Er-LIK                                     | 1332.05                    | +1.50          | +35.35<br>+22.83 | 2.49         | 0.15<br>0.00 | 1224.51<br>1358.97 |
| FISE Gustop Industry S                            | aciors                     |                |                  |              |              |                    |
| RESOURCES   | 871.23                     | +0.03          | +0.23            | 3.27         | 0.00         | 911.17             |
| Mining  | 748.92                     | +3.11          | +22.50           | 4.50         | 0.00         | 762.70             |
| Of & Gas  | 1118.39                    | -0.08<br>+2.35 | +25.87           | 3.23         | 0.00         | 1140.14            |
| Chemicals   | 375.66                     | +1.64          | +14.16           | 2.58         | 0.00         | #1.11              |
| CONTRACTOR & DO USE                               | 975.E                      | +5.80          | +53.56           | 2.26         | 0.00         | 985.32             |
| Foreign & Place                                   | 361.36                     | +0.20          | +1.72            | 3.56         | 0.00         | 900.74             |
| SEMERAL MOUSTRIALS                                | 1147.32                    | +2.51          | +28.15           | 2.A7         | 0.00         | 1171,73            |
| Antoques II (feligies<br>Oversides industrials    | 849.06<br>1085.18          | +1.18          | +24.25           | 1.25<br>1.88 | 8.00<br>B.00 | 390.50<br>7099.55  |
| Service & Back Back                               | 1009.97                    | +384           | +31.29           | 1.78         | 9.06         | 1015.48            |
| Engineering & Machinery                           | 962,77                     | +1.16          | +11.07           | 4.46         | 0.00         | 979.06             |
| MORN COM SIENS                                    | 1084.18                    | +4.44          | +58.00           | 241          | B.00         | 1401.21            |
| Antomobiles<br>Manufacile Abouts & Tests          | 1023.34                    | +4.37          | +42.81<br>+58.43 | 2.26<br>3.25 | 0.00         | 1012.83<br>1368.53 |
| HOM-CITE COMES GOODS                              | 1297.74                    | +1.82          | +23.20           | 1.39         | 0.00         | 1331.44            |
| Severages   | 978.91                     | +0.56          | +5.45            | 2.70         | 0.00         | 1000.05            |
| Food Producers & Process                          | 1024.20                    | +119           | +81.75           | 1.50         | 0.80         | 1636.04            |
| Health<br>Packaging                               | 935.72<br>789.24           | +0.27          | +2.53            | 5.96<br>1.13 | 0.00         | 952.77<br>790.22   |
| Property Care & Say Payor                         |                            | -1.15          | -14.07           | 0.70         | 0.00         | 1221.38            |
| Permiculicals<br>Tehene                           | 1174.77                    | +1.78          | +20.51           | 1.07         | 0.00         | 1181.15            |
| Tobacco   | 1274.91                    | +236           | +29.41           | 3.69         | 0.00         | 1298,19            |
| CYCLICAL SHIVINGS Clearbases                      | 1257.62<br>797.21          | +4.22          | +39.00           | 241          | 0.37         | 1294.81<br>806.16  |
| General Fletellers                                | (97.2)<br>1 <b>084.9</b> 2 | +4.22          | +3221            | 1.70<br>2.87 | 1.96         | 1112.52            |
| Since Served & Name                               | 667.34                     | +4.78          | +37.58           | 243          | 6.02         | 844.28             |
| Hedia & Photography<br>Resia, Pubs & Browerles    | 1074,84<br>778,29          | +4.33          | +44.57           | 2.13<br>3.81 | 0.00         | 1965.12<br>201.03  |
| Support Services                                  | 1111.87                    | +2.38          | +21.65           | 1.32         | 0.00         | 1123.66            |
| Transport   | 942.71                     | +1,31          | +1215            | 2.51         | 0.80         | 990.00             |
| NON-CYCLICAL SERVE                                | 1343.84                    | +2.21          | +29.06           | 1.50         | 0.60         | 1382.96            |
| Food & Only Relations<br>Telecommunications Sings | 1000.55<br>1323.41         | +1.55          | +16.25<br>+30.58 | 1.93<br>1.41 | 0.00         | 1976.78<br>1343.12 |
| Inumes  | 1954.25                    | +1,48          | +22.63           | 2.83         | 0.00         | 1848.43            |
| Decision  | 1205.62                    | +0.92          | +11.04           | 2.91         | 0.02         | 1244.23            |
| Gen Chepthysian                                   | 1239.74                    | +3.40          | +40.80           | 1.50         | 9.00         | 1365.02            |
| With  | 202.83                     | +1,50          | +14.04           | 5.18         | 0.00         | 987.88             |
| PHARCIALS   | 135E.95                    | +3.15          | +41 85           | 2.38         | 9.00         | 1407.36            |

| Information Toth Handware             | 95.88            | +1.94                 | +18.16             | 1.37           | 0.00       | 957.84           |
|---------------------------------------|------------------|-----------------------|--------------------|----------------|------------|------------------|
| Salatan I, Grapater Seri              | 116.7            | +4.45                 | +33.63             | 6.46           | 8.86       | T\$1.85          |
| forther intermediate in annihilate or | land to the land | 100 G FIS             | in the sale of the | 100            | -          | W 1987 AV        |
| Total an injulated tagge and          | ma of the Lo     | enina Sincia (b       | ور پيد مؤسون       | e Property 12  |            | STATE OF PERSONS |
| militatumi graja Rusius. Europ        | A M 4 LABOR      | 196 <b>Table Sept</b> | t of the Amelio    | ion State Ba   | BANK FOR   | Design below     |
| ar cimpled by FTSE triumbout          | . Harbin de      | of Wille to           | aris, Fisheri, G   | maid, Sale, Sa | فنحث ادو ش | MR.              |

+2.13 +3.23 +1.73 +1.70 +2.53

3.14 1.35 1.22 1.81 3.46 2.47

+33.61 +23.10 +39.84 +17.86 +26.93 +26.93

| FTSE   | EUR   | 010  | P 3  | 00   |  |   |   |   |   |   |  |  |   |  |  |   |  |   |  |   |  |   |                |
|--|---|--|--|--|--|---|---|---|---|---|--|--|---|--|--|---|--|---|--|---|--|---|----------------|
| •  | (Care)  | Days<br>+ pr   | jild og<br>Krajbaj                             | ***  | 114  | (inches   | Prince<br>(Barra)   | Day (   | امرادم<br>خد ابو  | 101<br>(4)                                  | w  | lien .   | Princ<br>(Bert)   | 040 S  |  | -   | 1966   | lipas<br>Amel   | Man<br>Man<br>Man<br>Man<br>Man<br>Man<br>Man<br>Man<br>Man<br>Man       | - 42255.  |  | 1000 · 10 10 10 10 10 10 10 10 10 10 10 10 10 | 100            |
| ROSPACE  | a bere  |  |  |  |  | MESPE)  |   |   |   |   |  | HOUREHOLD  | a TEXII   |  |  |   |  |   | 14.5   | +4  | 73   | 99  | 2000           |
| Ace;<br>iv ind<br>recen CET  | 7.33<br>12.20<br>39   | • 5  | 11   | 53<br>07<br>65                             | 28<br>17   | ingelie A<br>lagente i<br>ligatediana<br>Tipi<br>Cappi (yan da<br>Tipi<br>Tida<br>Tipi  | 41.57<br>1.25<br>13.56<br>10.76<br>10.76<br>10.76<br>10.76<br>10.76<br>10.76<br>10.76<br>10.76<br>10.76   | 45<br>475<br>475<br>478<br>478<br>478<br>478<br>488 | 147 44 154 154 154 154 154 154 154 154 154                        |   |  | Addres Seine<br>Carlester &<br>Carlester &<br>Capita<br>Septon &<br>Septon Se<br>Septon Sep  | 111<br>15.57<br>390<br>542.55<br>131.52   | 43<br>43<br>434<br>417<br>417                                      | 42 62 63 62 62 62 62 62 62 62 62 62 62 62 62 62                                  | 82<br>82  | 82000E   | 16A. 15T  |  | *8  | 33   | 11  | 1,3            |
| CHORN.   | ES  |  |  |  |  |   | n.  | 425<br>426<br>426                                   | 74<br>74  | 84  | 냷  | Supplied lang  | 131.02  | 113  | 29   |   | 0.0  | de junt<br>Dans d'Arre  | 4.90<br>11.30  | 3   | 2.5<br>8.5   | 2 0<br>2 0                                    | 24<br>43       |
| )<br>Printings   | 749<br>1936   | 41.8<br>47   | 14.6<br>11.3                                   | ú  | 1.1  | Name of Street  | 244,60  | -6,8  | 33  | u   | 4  | LT. HARDWA   | RE .  |  |  |   |  | -   |  |   | _  |   | -              |
|  | 12  |  | 194<br>41                                      | 13   | 13   | ELECTRICALY   |   |   |   |   |  | Alembel SA<br>Prigners B<br>Status A<br>ST Status by   | 73.00<br>73.00<br>74.30<br>74.30  | 41   | できた  | 1.8   | 1.6<br>0.0<br>0.8                              | PESTAURI  | 11.45<br>11.45   | 4 1965<br>1.1   | 85   | 18  | 41             |
| ede i  | 4   | 41   | 73   | ä  | 12   | Dr Courgy<br>Colonia  | 849<br>11.88  | +1  | 73  | 1.8   | 24<br>14                                     | ST immedia   | 71.20   | -07  | T.   | ų.  |  | See Common See Common C  | 11.45<br>9.00<br>9.00<br>10.00   | ***<br>***<br>***   | 85<br>67<br>61<br>83   | 1,0<br>2,5<br>1,4<br>1,3                      | 41844          |
| FORFORM,<br>plantings<br>plantings<br>park<br>of Spo<br>park<br>park<br>park<br>park<br>park<br>park<br>park<br>park   | 140<br>153<br>11 5<br>15<br>15<br>15<br>15<br>16<br>16<br>16<br>16<br>17<br>17<br>18<br>18<br>18<br>18<br>18<br>18<br>18<br>18<br>18<br>18<br>18<br>18<br>18  | 41.<br>41.<br>41.<br>41.<br>41.<br>41.<br>41.<br>41.<br>41.<br>41. |  | 20   | 18 19 24 17 18 18 18 18 18 18 18 18 18 18 18 18 18 | Dr. Essengy<br>Gallant.<br>Gloudeathai<br>Ellingt de Per-<br>George de<br>Hand Giby<br>Jang Popers<br>Proportiest<br>Sopt Popers<br>Tampfolds<br>Sopte Popers<br>Tampfolds<br>Unique Popers   |   | 49  | 18 18 18 18 18 18 18 18 18 18 18 18 18 1                          | 11 11 11 11 11 11 11 11 11 11 11 11 11      |  | MELRANCE   |   |  |  |   |  |   | TU-ARE   | 6,7   | 83   | 1.0   | 44             |
| A  | 22.55<br>22.55  | 41   | 207  | ä  | 64<br>24   |   | 17.2  |   | 19.6  | H   | 21<br>21                                     | American Mahal   | 134.00  | 40<br>21   | **   | 13  | 18<br>67                                       | FINA  | S COMPU  |   | Was  |   |                |
|  | 雷科  | •3   | 6.0  |  | 24   | Poperfilli<br>Syst Hydro  | 10.77   | +3  | 7.0<br>7.7  | 14  | 15   | ing yes  | 14 ts   | +1.2<br>+1.2   | 25   |   | 14   | Chy Cambri<br>May PLC<br>Shr (Prof)<br>Shr<br>Camb Gy   | #86<br>7.94<br>340<br>380<br>9.25  | · • • • • • • • • • • • • • • • • • • •   | 報の記録の  | E. REF  | 2000年12日       |
| 13   |   |  |  |  |  | Scat Foreir<br>Danstelad  | 100   | -7.0  | 10.8<br>16.1  | 13.2<br>6.1                                 | 41   | Cital<br>Cital<br>Symp Tomology  | 13.94   | •5<br>•3   |  | 22  | 29<br>24<br>25                                 | See<br>See  | 380<br>9.45  | +11   | 43   | ú   | 85<br>84       |
| , 2000<br>1  | 19.20   | e14  | 27 1   | 21.2<br>35                                 | 24<br>34   |   |   | ·   | •   | •   | 1.30   | American Hitch ( Americ | 19年間<br>19年間<br>19年間<br>19年間<br>19年間<br>19年間<br>19年間<br>19年間  | の<br>の<br>の<br>の<br>の<br>の<br>の<br>の<br>の<br>の<br>の<br>の<br>の<br>の |  | D   | 1824 - 1221 1231 1241 1241 1241 1241 1241 1241 | SPECIALITY  | 7 & OTOER  | Paralli C   | E  |   |                |
| ) had  | 17.52   | -12<br>-12   | 73<br>188<br>143                               | 27   | 14   |   | EUST  | E II  |   |   |  | GRE<br>INC   | 4.92  | +1<br>+24<br>-200  | 뫮  | 21<br>127                                       | 16<br>24                                       | American<br>GLF Period<br>Death<br>Publisher<br>Publisher<br>Problem<br>Problem<br>Problem<br>Problem<br>Problem<br>Problem<br>Problem<br>Problem<br>Problem<br>Problem<br>Problem<br>Problem<br>Problem<br>Problem<br>Problem<br>Problem<br>Problem<br>Problem<br>Problem<br>Problem<br>Problem<br>Problem<br>Problem<br>Problem<br>Problem<br>Problem<br>Problem<br>Problem<br>Problem<br>Problem<br>Problem<br>Problem<br>Problem<br>Problem<br>Problem<br>Problem<br>Problem<br>Problem<br>Problem<br>Problem<br>Problem<br>Problem<br>Problem<br>Problem<br>Problem<br>Problem<br>Problem<br>Problem<br>Problem<br>Problem<br>Problem<br>Problem<br>Problem<br>Problem<br>Problem<br>Problem<br>Problem<br>Problem<br>Problem<br>Problem<br>Problem<br>Problem<br>Problem<br>Problem<br>Problem<br>Problem<br>Problem<br>Problem<br>Problem<br>Problem<br>Problem<br>Problem<br>Problem<br>Problem<br>Problem<br>Problem<br>Problem<br>Problem<br>Problem<br>Problem<br>Problem<br>Problem<br>Problem<br>Problem<br>Problem<br>Problem<br>Problem<br>Problem<br>Problem<br>Problem<br>Problem<br>Problem<br>Problem<br>Problem<br>Problem<br>Problem<br>Problem<br>Problem<br>Problem<br>Problem<br>Problem<br>Problem<br>Problem<br>Problem<br>Problem<br>Problem<br>Problem<br>Problem<br>Problem<br>Problem<br>Problem<br>Problem<br>Problem<br>Problem<br>Problem<br>Problem<br>Problem<br>Problem<br>Problem<br>Problem<br>Problem<br>Problem<br>Problem<br>Problem<br>Problem<br>Problem<br>Problem<br>Problem<br>Problem<br>Problem<br>Problem<br>Problem<br>Problem<br>Problem<br>Problem<br>Problem<br>Problem<br>Problem<br>Problem<br>Problem<br>Problem<br>Problem<br>Problem<br>Problem<br>Problem<br>Problem<br>Problem<br>Problem<br>Problem<br>Problem<br>Problem<br>Problem<br>Problem<br>Problem<br>Problem<br>Problem<br>Problem<br>Problem<br>Problem<br>Problem<br>Problem<br>Problem<br>Problem<br>Problem<br>Problem<br>Problem<br>Problem<br>Problem<br>Problem<br>Problem<br>Problem<br>Problem<br>Problem<br>Problem<br>Problem<br>Problem<br>Problem<br>Problem<br>Problem<br>Problem<br>Problem<br>Problem<br>Problem<br>Problem<br>Problem<br>Problem<br>Problem<br>Problem<br>Problem<br>Problem<br>Problem<br>Problem<br>Problem<br>Problem<br>Problem<br>Problem<br>Problem<br>Problem<br>Problem<br>Problem<br>Problem<br>Problem<br>Problem<br>Problem<br>Problem<br>Problem<br>Problem<br>Problem<br>Problem<br>Problem<br>Problem<br>Problem<br>Problem<br>Problem<br>Problem<br>Problem<br>Problem<br>Problem<br>Problem<br>Problem<br>Problem<br>Problem<br>Problem<br>Problem<br>Problem<br>Problem<br>Problem<br>Problem<br>Problem<br>Problem<br>Problem<br>Problem<br>Problem<br>Problem<br>Problem<br>Problem<br>Problem<br>Problem<br>Problem<br>Problem<br>Problem<br>Problem<br>Problem<br>Problem<br>Problem<br>Problem<br>Problem<br>Problem<br>Problem<br>Problem | 7.4  | +.7   | Pi   | 21  | 14             |
| Chapter 1  | 94.86<br>6.30   |  | 113  | -  | 14<br>14   | Alic (Pr)<br>Alice (Pr)   | 1.06 A  | 412   | 24  | 01<br>12                                    | 24   | Read Seri Al<br>Shareda  | 131   | • 5  | 121  | VIE   | 22   | Date .  | 74<br>123<br>143<br>143<br>143<br>143<br>143<br>143<br>143<br>143<br>143 | 2992977   | ######################################   | 21<br>81<br>81<br>21<br>21<br>22              | 78. 886Y       |
| interes<br>S. Stant  | 1/4   | •  | -11<br>11                                      | :  | ij   | GC<br>Lamber  | 23.74<br>23.74  | -1  | 37  | 63  | 25<br>18<br>24                               | Subsy Re A<br>Zimon Allia  |   | -161   | 313<br>23  | ai.   | 12   | Place (Sept.)   | 1571   | +3<br>+1  | 12   | 21<br>23                                      | ij             |
| Miles<br>Milyani   | 1940  |  | 129  | 1  | 1,0  | AGE A<br>AGE (III)<br>Albertoni<br>CEC<br>Lampariero<br>Lampariero<br>Lampariero<br>Lampariero<br>Manuallaro<br>Manuallaro<br>Manuallaro<br>Manuallaro<br>Manuallaro<br>Manuallaro<br>Manuallaro<br>Manuallaro<br>Manuallaro<br>Manuallaro<br>Manuallaro<br>Manuallaro<br>Manuallaro<br>Manuallaro<br>Manuallaro<br>Manuallaro<br>Manuallaro<br>Manuallaro<br>Manuallaro<br>Manuallaro<br>Manuallaro<br>Manuallaro<br>Manuallaro<br>Manuallaro<br>Manuallaro<br>Manuallaro<br>Manuallaro<br>Manuallaro<br>Manuallaro<br>Manuallaro<br>Manuallaro<br>Manuallaro<br>Manuallaro<br>Manuallaro<br>Manuallaro<br>Manuallaro<br>Manuallaro<br>Manuallaro<br>Manuallaro<br>Manuallaro<br>Manuallaro<br>Manuallaro<br>Manuallaro<br>Manuallaro<br>Manuallaro<br>Manuallaro<br>Manuallaro<br>Manuallaro<br>Manuallaro<br>Manuallaro<br>Manuallaro<br>Manuallaro<br>Manuallaro<br>Manuallaro<br>Manuallaro<br>Manuallaro<br>Manuallaro<br>Manuallaro<br>Manuallaro<br>Manuallaro<br>Manuallaro<br>Manuallaro<br>Manuallaro<br>Manuallaro<br>Manuallaro<br>Manuallaro<br>Manuallaro<br>Manuallaro<br>Manuallaro<br>Manuallaro<br>Manuallaro<br>Manuallaro<br>Manuallaro<br>Manuallaro<br>Manuallaro<br>Manuallaro<br>Manuallaro<br>Manuallaro<br>Manuallaro<br>Manuallaro<br>Manuallaro<br>Manuallaro<br>Manuallaro<br>Manuallaro<br>Manuallaro<br>Manuallaro<br>Manuallaro<br>Manuallaro<br>Manuallaro<br>Manuallaro<br>Manuallaro<br>Manuallaro<br>Manuallaro<br>Manuallaro<br>Manuallaro<br>Manuallaro<br>Manuallaro<br>Manuallaro<br>Manuallaro<br>Manuallaro<br>Manuallaro<br>Manuallaro<br>Manuallaro<br>Manuallaro<br>Manuallaro<br>Manuallaro<br>Manuallaro<br>Manuallaro<br>Manuallaro<br>Manuallaro<br>Manuallaro<br>Manuallaro<br>Manuallaro<br>Manuallaro<br>Manuallaro<br>Manuallaro<br>Manuallaro<br>Manuallaro<br>Manuallaro<br>Manuallaro<br>Manuallaro<br>Manuallaro<br>Manuallaro<br>Manuallaro<br>Manuallaro<br>Manuallaro<br>Manuallaro<br>Manuallaro<br>Manuallaro<br>Manuallaro<br>Manuallaro<br>Manuallaro<br>Manuallaro<br>Manuallaro<br>Manuallaro<br>Manuallaro<br>Manuallaro<br>Manuallaro<br>Manuallaro<br>Manuallaro<br>Manuallaro<br>Manuallaro<br>Manuallaro<br>Manuallaro<br>Manuallaro<br>Manuallaro<br>Manuallaro<br>Manuallaro<br>Manuallaro<br>Manuallaro<br>Manuallaro<br>Manuallaro<br>Manuallaro<br>Manuallaro<br>Manuallaro<br>Manuallaro<br>Manuallaro<br>Manuallaro<br>Manuallaro<br>Manuallaro<br>Manuallaro<br>Manuallaro<br>Manuallaro<br>Manuallaro<br>Manuallaro<br>Manuallaro<br>Manuallaro<br>Manuallaro<br>Manuallaro<br>Manuallaro<br>Manuallaro<br>Manuallaro<br>Manuallaro<br>Manuallaro<br>Manuallaro<br>Manuallaro<br>Manuallaro<br>Manuallaro<br>Manuallaro<br>Man | 15<br>067<br>214<br>111<br>23<br>430<br>213<br>430<br>435<br>435<br>435<br>435<br>435<br>435<br>435<br>435<br>435<br>435  | こうないことを含むこ  |   | 61<br>51<br>63<br>18                        | 24<br>24<br>25<br>13<br>14<br>14<br>14<br>16 | anna raidh r   | COMPA   |  |  |   |  |   |  |   |  |   |                |
|  | 67.35<br>12.55<br>12.55   | - 1  | 7.4<br>21.1                                    | ÷  | ii<br>ii   |   |   | 427   | 314   | 4   | 13   | DIVESTACENT<br>2 Graph<br>Chaugh   | 14  | •3   | 5£<br>52   | 15<br>83  | 22<br>18<br>23                                 | Adess (F)   | 411.47   | -21   | 7.0  |   | u              |
| Anglelle<br>of Troi<br>Cred  | 21<br>21  | 4  | 100  |  | 14   |   | a Maci  | week?   |   |   |  | <b>64.</b>   | 174.00  | -13  | 13   | Ti.   | 22   | Adacsi (ii)<br>(inp)<br>(inp)<br>(inside) (ii)<br>(in)<br>(ii)<br>(iii)<br>(iii)<br>(iii)<br>(iii)<br>(iii)<br>(iii)<br>(iii)<br>(iii)<br>(iii)<br>(iii)  | 411 47<br>778<br>4230<br>14070<br>544<br>145.00<br>76.00<br>445          | 사 등 등 등 등 등 등 등 등 등 등 등 등 등 등 등 등 등 등 등   | 19 57 58 57 58 58 52 58 52 58 52 58 52 58 52 58 52 58 52 58 52 52 58 52 58 52 58 52 58 52 58 52 58 52 52 52 52 52 52 52 52 52 52 52 52 52  | 13<br>61<br>61<br>62<br>-                     |                |
|  | 30.37   | -85<br>-15   | 17.0   | ü  | 14   | AN CAPET A<br>AND GAPET B   | 19134<br>1834   | *2  | 24  | : 1   | 2.4<br>1.4                                   | les stan   | ETTA?   |  | 119  | 3   |  | Resigned to a   | 5.44<br>165.00   | 44  | 19.4<br>44<br>45   | 12  |                |
|  | 34.34   | -3<br>-14  | 124  | 22   | 12<br>27   | January<br>Libratus   | 174   | -100  | 42  | 6.2   | ? 9<br><b>LG</b>                             | Armer<br>Granust<br>Landard  | 1132  | **   | 72<br>73<br>73   | 177   | 1.7  | Mail  | 46   | •1  | 12   | 74  | 53             |
| - *-<br>- 5m   | 152.71<br>177. <b>8</b> 2   | 100  | 410  | 41   | 28<br>21   | Any Capes A Ally Gapes E BTH Library Management Management Survide A Scanda A Scanda J Survide A Scanda J Survide A Scanda J Survine Management Vocabord  | 19.34<br>19.54<br>17.4<br>19.50<br>19.50<br>19.50<br>19.50<br>19.50<br>19.50<br>19.50<br>19.50<br>19.50<br>19.50<br>19.50<br>19.50<br>19.50<br>19.50<br>19.50<br>19.50<br>19.50<br>19.50<br>19.50<br>19.50<br>19.50<br>19.50<br>19.50<br>19.50<br>19.50<br>19.50<br>19.50<br>19.50<br>19.50<br>19.50<br>19.50<br>19.50<br>19.50<br>19.50<br>19.50<br>19.50<br>19.50<br>19.50<br>19.50<br>19.50<br>19.50<br>19.50<br>19.50<br>19.50<br>19.50<br>19.50<br>19.50<br>19.50<br>19.50<br>19.50<br>19.50<br>19.50<br>19.50<br>19.50<br>19.50<br>19.50<br>19.50<br>19.50<br>19.50<br>19.50<br>19.50<br>19.50<br>19.50<br>19.50<br>19.50<br>19.50<br>19.50<br>19.50<br>19.50<br>19.50<br>19.50<br>19.50<br>19.50<br>19.50<br>19.50<br>19.50<br>19.50<br>19.50<br>19.50<br>19.50<br>19.50<br>19.50<br>19.50<br>19.50<br>19.50<br>19.50<br>19.50<br>19.50<br>19.50<br>19.50<br>19.50<br>19.50<br>19.50<br>19.50<br>19.50<br>19.50<br>19.50<br>19.50<br>19.50<br>19.50<br>19.50<br>19.50<br>19.50<br>19.50<br>19.50<br>19.50<br>19.50<br>19.50<br>19.50<br>19.50<br>19.50<br>19.50<br>19.50<br>19.50<br>19.50<br>19.50<br>19.50<br>19.50<br>19.50<br>19.50<br>19.50<br>19.50<br>19.50<br>19.50<br>19.50<br>19.50<br>19.50<br>19.50<br>19.50<br>19.50<br>19.50<br>19.50<br>19.50<br>19.50<br>19.50<br>19.50<br>19.50<br>19.50<br>19.50<br>19.50<br>19.50<br>19.50<br>19.50<br>19.50<br>19.50<br>19.50<br>19.50<br>19.50<br>19.50<br>19.50<br>19.50<br>19.50<br>19.50<br>19.50<br>19.50<br>19.50<br>19.50<br>19.50<br>19.50<br>19.50<br>19.50<br>19.50<br>19.50<br>19.50<br>19.50<br>19.50<br>19.50<br>19.50<br>19.50<br>19.50<br>19.50<br>19.50<br>19.50<br>19.50<br>19.50<br>19.50<br>19.50<br>19.50<br>19.50<br>19.50<br>19.50<br>19.50<br>19.50<br>19.50<br>19.50<br>19.50<br>19.50<br>19.50<br>19.50<br>19.50<br>19.50<br>19.50<br>19.50<br>19.50<br>19.50<br>19.50<br>19.50<br>19.50<br>19.50<br>19.50<br>19.50<br>19.50<br>19.50<br>19.50<br>19.50<br>19.50<br>19.50<br>19.50<br>19.50<br>19.50<br>19.50<br>19.50<br>19.50<br>19.50<br>19.50<br>19.50<br>19.50<br>19.50<br>19.50<br>19.50<br>19.50<br>19.50<br>19.50<br>19.50<br>19.50<br>19.50<br>19.50<br>19.50<br>19.50<br>19.50<br>19.50<br>19.50<br>19.50<br>19.50<br>19.50<br>19.50<br>19.50<br>19.50<br>19.50<br>19.50<br>19.50<br>19.50<br>19.50<br>19.50<br>19.50<br>19.50<br>19.50<br>19.50<br>19.50<br>19.50<br>19.50<br>19.50<br>19.50<br>19.50<br>19.50<br>19.50<br>19.50<br>19.50<br>19.50<br>19.50<br>19.50<br>19.50<br>19.50<br>19.50<br>19.50<br>19.50<br>19.50<br>19.50<br>19.50<br>19.50<br>19.50<br>19.50<br>19.50<br>19.50<br>19.50<br>19.50<br>19.50<br>19.50<br>19.50<br>19.50<br>19.50<br>19.50<br>19.50<br>19.50<br>19.50<br>19.50<br>19.50<br>19.50<br>19.50<br>19.50<br>19.50<br>19.50<br>19.50<br>19.50<br>19.50<br>19.50<br>19.50<br>19.50<br>19.50<br>19.50<br>19.50<br>19.50<br>19.50<br>19.50<br>19.50<br>19.50<br>19.50<br>19.50<br>19.50<br>19.50<br>19.50<br>19.50<br>19.50<br>19.50<br>19.50<br>19.50<br>19.50<br>19.50<br>19.50<br>19.50<br>19.50<br>19.50<br>19.50<br>19.50<br>19.50<br>19.50<br>19.50<br>19.50<br>19.50<br>19.50<br>19.50<br>19.50<br>19.50<br>19.50<br>19.50<br>19.50<br>19.50<br>19.50<br>1 | 100 HE 100 100 100 100 100 100 100 100 100 10       | 24<br>12<br>56<br>42<br>48,1<br>7,1<br>46<br>17<br>17<br>70<br>63 | 62<br>63<br>64                              |  | LIFE ASSURA  | -   | _  | _  | -   | ·  | TELEVISION  | LINICATION   | SERVI   |  |   |                |
| ner Berr<br>ner Ster   | 35<br>31  | +1.9<br>+2   | 21.6<br>21.6                                   | ä  | ä  | Scools A<br>Scools II   | 15.31<br>16.31<br>1/16  | •2  | 17  |   | 14   |  |   | +4.8   | 64.7   | 41  | to.  | BY Caph & Wile Caph & Wile Caph & Wile Caph & W Destroit Ed Francis Tolic Caph & Person of the Caph & Person of th  | 94.38<br>9.22  | +3  | ## The Part of the | 22  | 24             |
| Maria<br>Maria   | 24  | +20<br>+1.8  | 21.5<br>41.1                                   | 84   | 33<br>41   | Singe<br>Payment<br>Southern  | 7.24<br>16.38<br>16.38  | 45  | 70<br>63  | 44 1  |  | Angel & Col  | 1846<br>1230<br>1174<br>144<br>1346<br>780  | +11  |  | 41  |  | Destache Tel<br>France Teles  | 345  | 418<br>422  | 34<br>34   | ij  | ij             |
| 723  | 力解  | -25  | 21.2<br>70.0                                   | 125  | 14<br>25   |   |   |   |   |   | -  | Anger<br>Allement Ann<br>Inger & Gert<br>Reviews<br>Production<br>Sant Life & P  | 13.4  | *13<br>*11<br>*5<br>*5   | 똹  | 43<br>13<br>83                                  | 13<br>21<br>21                                 | Carry<br>Perhaps 30   | 4.00<br>4.00   | 111   | 95<br>155<br>16  | 184   | 28             |
|  | 10.33   | +3   | 46   | .:   | 54<br>12<br>44                                     |   | RETALLI<br>2.22   |   | 42 :  | <b>11</b> 1 2                               |  |  | TOGRAFI   |  |  |   |  | Michael (1944)<br>Securical<br>Suctamos (1944)  |  | 41<br>41<br>41<br>41<br>41<br>41<br>41<br>41<br>41<br>41<br>41<br>41<br>41<br>4 | 52<br>64   | 21  | 13             |
| marys. W   | 371   | • 1<br>• 1   | 73   |  | 14   | Angle<br>Complete   | 2.25<br>(65<br>62.41<br>60.37<br>60.37<br>60.37<br>60.37<br>60.37<br>60.37<br>7.27  | 4 4 4 4 4 4 4 4 4 4 4 4 4 4 4 4 4 4 4               | 43<br>124<br>124<br>124<br>124<br>124<br>124                      | 11401 01 01 01 01 01 01 01 01 01 01 01 01 0 |  | 8948<br>8948   |   | :1   | 110  | 44  | 17   | Tiple Columnia.<br>Talkappar Mad<br>Talkappar Mad   | 116-27<br>7.87<br>4.10   | 014   | 72j<br>520   | 83  | 20<br>12<br>12 |
| CON<br>CANADA<br>CANADA  | 15.00<br>18.00  | •13  | 21.7   | 24   | 74<br>11   | Reflector Pay<br>Procession   | 80.70<br>80.30  | -114  | 42  | ā   | 4  | Carton C<br>Gui  | 2.00E   | • •  | 47   | # 15 m  | ij   | Related to<br>Principal Chin  | 4480<br>220  |   | W a  | 7   | ij.            |
| Chris  | 11 10   | +128<br>+15  | 17.3   | 70   | 31   | Audit. Albeid Correlate Correlate Conine Relater Pas Promoden Salvinory Salvinory Touss   | 5.47<br>2.20  | *2  | 43<br>124<br>183  | 24 4<br>49 1<br>82 1                        | 5  | Mediant<br>Fearage   | 7.00<br>17.73   | -11  | NI T   | 55  | 14<br>20                                       |   | 44   |   | 43 4   | 43  | 1.             |
| JACON STATE OF THE | 是我心态就是他的是是这种的是这些有个生物之外和他们不是对这种的这些有一种的现在分词是这种形式,这种是这种形式,这种是这种,这种是这种形式,这种是这种形式,这种是一种,这种是一种,这种是一种,我们也是一种,我们也是一种,我们也是一种,我们也是一种,我们就是一种,我们也是一种,我们也是一种,我们就是 | 64 647 647 647 647 647 647 647 647 647 6                           | 2017 73 11 12 12 12 12 12 12 12 12 12 12 12 12 | 212 10 10 10 10 10 10 10 10 10 10 10 10 10 | 21   | 7000 PRODUC   | me 4 *  |   | en##  |   |  | Shy & Count Phie Cartin C Gar Should Phie Cartin C Gar Should Phiese Sho | 6.26<br>25.06<br>10.06<br>17.72<br>10.73<br>10.73<br>10.73<br>10.75<br>10.75<br>10.75<br>10.75<br>10.75<br>10.75<br>10.75<br>10.75<br>10.75<br>10.75<br>10.75<br>10.75<br>10.75<br>10.75<br>10.75<br>10.75<br>10.75<br>10.75<br>10.75<br>10.75<br>10.75<br>10.75<br>10.75<br>10.75<br>10.75<br>10.75<br>10.75<br>10.75<br>10.75<br>10.75<br>10.75<br>10.75<br>10.75<br>10.75<br>10.75<br>10.75<br>10.75<br>10.75<br>10.75<br>10.75<br>10.75<br>10.75<br>10.75<br>10.75<br>10.75<br>10.75<br>10.75<br>10.75<br>10.75<br>10.75<br>10.75<br>10.75<br>10.75<br>10.75<br>10.75<br>10.75<br>10.75<br>10.75<br>10.75<br>10.75<br>10.75<br>10.75<br>10.75<br>10.75<br>10.75<br>10.75<br>10.75<br>10.75<br>10.75<br>10.75<br>10.75<br>10.75<br>10.75<br>10.75<br>10.75<br>10.75<br>10.75<br>10.75<br>10.75<br>10.75<br>10.75<br>10.75<br>10.75<br>10.75<br>10.75<br>10.75<br>10.75<br>10.75<br>10.75<br>10.75<br>10.75<br>10.75<br>10.75<br>10.75<br>10.75<br>10.75<br>10.75<br>10.75<br>10.75<br>10.75<br>10.75<br>10.75<br>10.75<br>10.75<br>10.75<br>10.75<br>10.75<br>10.75<br>10.75<br>10.75<br>10.75<br>10.75<br>10.75<br>10.75<br>10.75<br>10.75<br>10.75<br>10.75<br>10.75<br>10.75<br>10.75<br>10.75<br>10.75<br>10.75<br>10.75<br>10.75<br>10.75<br>10.75<br>10.75<br>10.75<br>10.75<br>10.75<br>10.75<br>10.75<br>10.75<br>10.75<br>10.75<br>10.75<br>10.75<br>10.75<br>10.75<br>10.75<br>10.75<br>10.75<br>10.75<br>10.75<br>10.75<br>10.75<br>10.75<br>10.75<br>10.75<br>10.75<br>10.75<br>10.75<br>10.75<br>10.75<br>10.75<br>10.75<br>10.75<br>10.75<br>10.75<br>10.75<br>10.75<br>10.75<br>10.75<br>10.75<br>10.75<br>10.75<br>10.75<br>10.75<br>10.75<br>10.75<br>10.75<br>10.75<br>10.75<br>10.75<br>10.75<br>10.75<br>10.75<br>10.75<br>10.75<br>10.75<br>10.75<br>10.75<br>10.75<br>10.75<br>10.75<br>10.75<br>10.75<br>10.75<br>10.75<br>10.75<br>10.75<br>10.75<br>10.75<br>10.75<br>10.75<br>10.75<br>10.75<br>10.75<br>10.75<br>10.75<br>10.75<br>10.75<br>10.75<br>10.75<br>10.75<br>10.75<br>10.75<br>10.75<br>10.75<br>10.75<br>10.75<br>10.75<br>10.75<br>10.75<br>10.75<br>10.75<br>10.75<br>10.75<br>10.75<br>10.75<br>10.75<br>10.75<br>10.75<br>10.75<br>10.75<br>10.75<br>10.75<br>10.75<br>10.75<br>10.75<br>10.75<br>10.75<br>10.75<br>10.75<br>10.75<br>10.75<br>10.75<br>10.75<br>10.75<br>10.75<br>10.75<br>10.75<br>10.75<br>10.75<br>10.75<br>10.75<br>10.75<br>10.75<br>10.75<br>10.75<br>10.75<br>10.75<br>10.75<br>10.75<br>10.75<br>10.75<br>10.75<br>10.75<br>10.75<br>10.75<br>10.75<br>10.75<br>10.75<br>10.75<br>10.75<br>10.75<br>10.75<br>10.75<br>10.75<br>10.75<br>10.75<br>10.75<br>10.75<br>10.75<br>10.75<br>10.75<br>10.75<br>10.75<br>10.75<br>10.75<br>10.75<br>10.75<br>10.75<br>10.75<br>10.75<br>10.75<br>10.75<br>10.75<br>10.75<br>10.75<br>10.75<br>10.75<br>10.75<br>10.75<br>10.75<br>10.75<br>10.75<br>10.75<br>10.75<br>10.75<br>10.75<br>10.75<br>10.75<br>10.75<br>10.75<br>10.75<br>10.75<br>10.75<br>10.75<br>10.75<br>10.75<br>10.75<br>10.75<br>10.75<br>10.75<br>10.75<br>10.75<br>10.75<br>10.75<br>10.75<br>10.75<br>10.75<br>10.75<br>10.75<br>10.75<br>10.75<br>10.75<br>10.75<br>10.75<br>10.75<br>10.75<br>10.75<br>1 | **************************************                             | 11.0<br>7.2<br>4.7<br>4.7<br>4.7<br>10.6<br>13.7<br>10.7<br>10.4<br>14.7<br>15.1 | 44 15 45 15 15 15 15 15 15 15 15 15 15 15 15 15 |  | TORACCO   | 744  | -1  | 35.9   | 40 -  | <b>.</b>       |
|  | 450   | •1   | 73   | 3.3  | 14   | POUG PHONOG<br>A 3 feats<br>Cathay Scho   | 7.型<br>14.70  | +4<br>+4<br>+4                                      | 7.1<br>15.0   | 03 Z<br>39 1.                               | 1  | MATERIAL PROPERTY.   | 33.76<br>175<br>186.90  | 41   | 11   | 24<br>15 I<br>63                                | 13<br>25<br>97                                 | Talt Aye Tala<br>Gallater<br>Imperat Tala<br>Michaelpt A  | 7%<br>589<br>877<br>1,333,48   | +1<br>+3<br>453   | 35 T   |   | 63<br>52<br>67 |
|  |   |  |  |  |  | Carbary Soles   | 14.70   | +4  | 15.0  | 03 Z<br>39 1.                               |  |  |   |  |  |   |  | A Dropost   | 1,223,43   | -61   | 24   | - 1   | 10             |

| 11 |                          |             |        |             |     |      |               |            |              |          |      |
|----|--------------------------|-------------|--------|-------------|-----|------|---------------|------------|--------------|----------|------|
| 65 | Alleys.                  | 17          | 1      | 37          |     |      | TRANSPOR      | ľ          |              |          |      |
| 14 | No Tang                  | 电缆          | -3     | 120         | 28  | **   | Amer          | 15,34      |              | 38       |      |
| •- |                          |             |        |             |     |      | BM.           | 9.93       | +3           | 485      | 4    |
|    | or, a gas                |             |        |             |     |      | DC INCS       | 5.913.27   | -538         | 12       |      |
|    |                          |             | _      |             |     |      | No Seculiar   |            | -177.0       | 12       | _    |
|    | BP AMEDIS                | 1316        | - 23   | 157.4<br>42 | 435 | 32   | PAG           | 354        | +1.0         | 뫔        | 2    |
| 32 | Birchartne<br>Birchartne | 173         |        | aj.         |     | 15   | Pariticals.   | 33.58      | -1           | 84       | ž    |
| 4  | Alpest Hydro             | 22          | +12    | 36          | CS  | 2.   | Engecouch     | 3.40       | +2           | 45       |      |
| 44 | Potrolling<br>Report     | - 4         | -63    | 11<br>15.6  | Q.  | 21   |               |            |              |          |      |
|    | Papel Date:              | 3.16<br>4.4 | -15    | 10.0        |     | 133  |               |            |              |          |      |
|    | S200 (1200)              | 5.07        |        | #4<br>9.7   | 22  | 1122 | 無行田           |            |              |          |      |
|    | · 25 Augulleit           | 100         | -3     | 26.7        | 142 | 22   | Angligh (Str  | 11 74      |              | 27       |      |
|    | Total 3                  | #           | -14    | 77.7        | 28  | 22   | Serger Total  | 13.6       | •2           | 17       | L    |
| 27 |                          |             |        |             |     |      | Carrier Water | 15.65      | -2           | 55       | ŭ    |
| BÁ | PACKAGUIG                |             |        |             |     |      |               | 21.3I      | +1           | 62       | Ē    |
| -  | i california             |             |        |             |     |      | Hates         |            |              |          |      |
|    | Manager-Ex               | 1,627 14    | -216   | 64          | 84  |      | Price data as | d amalet e | والبائب      |          | 4    |
|    |                          |             |        |             |     |      | FTSE Istamus  | ستر يوموا  |              | بستي     | 20 2 |
|    |                          |             |        |             | _   |      | ers beset or  | \$1200 P   | ed in to     |          | إدوا |
| 22 | Personal 8               | 1, 1, 5, 5, | TLD P1 | 1340        | 15  |      | \$120% pro 11 |            | <b>AND 1</b> | onliĝn i | 1    |
|    |                          |             |        |             |     |      |               |            |              |          |      |

But European groups with dering which compan

Most of the speculat centred on BMW, wh shares were £41 higher 6740, and Ford of the US, other European auto sha ngeot was up 63 at € at €22.30. DaimlerChrys the first fruit of a transat

try, jumped 65.70 to 692.5 Banking shares we strong again, with Free stocks soaring. BNP was 66.50 higher at 681.45 and

|                  | SPO                            | Chaine            | Dane     | diam'r.                | Day's             |          | <b>an 3</b> 00 | nii<br>SPA | Three sta |        | Chia year<br>Bata | NPA.  |
|------------------|--------------------------------|-------------------|----------|------------------------|-------------------|----------|----------------|------------|-----------|--------|-------------------|-------|
| اط               |                                |                   | -        | aprend                 | 140               | feer     | Rate           | SPR        |           | 787    |                   | MA    |
| Desiret.         |                                |                   |          |                        |                   | 34.218   | 34,3023        | -68        | 35233     | -53    | 35.4383           | -47   |
| Carpi Rep.       |                                | 34,6172           | -0.05    | <b>907 - 436</b>       | 35,1870           | 7.4392   | 7.4508         | -05        | 7,4580    | -04    | 7.4922            | -44   |
| Mark .           | (10)                           | 7,443             | -8.0022  | 44 - 40                | 7.4518            | 322.404  | 326.6999       | -7.5       | 330.5425  | -7.3   | 345,4819          | -44   |
| 1000             | ini                            | 2455              | +0 1500  | 354 - 817              | 325.780           | 249,750  | 253,2882       | -128       | 253,4765  | -13.0  | 282,8029          | -130  |
|                  | Cold.                          | Z31,383           | -0.3900  | 12 · 16                | 255.419<br>8.7490 | 8.7047   | 8,7539         | -6.1       | 9.8154    | -45    | 9.0023            | -31   |
|                  | i panj                         | 8,7167            | -CT42.   | 顶 - 網                  | 4 0220            | 4.0031   | -              | -          | -         | -      |                   |       |
| tant             | (Albert                        | 4,000             | -0.0163  | M - 135                | 13200.00          | 13155.00 |                | -          |           |        |                   | _     |
|                  | (Las)                          |                   | +19.9100 | 934 - 397              | 27.5695           | 27.1989  | -              | -          |           | -      |                   | _     |
| S (1)            | (Reuble)                       | 27 A 131          | +0.0268  | 912 - 350              | 43.0700           | 42.7845  | -              | -          | -         | -      | -                 |       |
| o-dis            | (larus)                        | 15 8511           |          | 78 - 7年                | 4 3605            | 9.2626   | 9.2945         | -87        | 9.2989    | -82    | 9.274             | -0.4  |
| 120              | (5)(4)                         | 9.337             | -6.11P/  | 77 - 20                | 1 6230            | 1.6051   | 3.6134         | 22         | 1 6089    | 1.5    | 1.92              | 1.4   |
|                  | (2F4)                          | 1.5153            | +0,0047  | 154 - 172              | 0.7172            | (1,7020) | 8,7003         | -29        | 0.7725    | -21    | 0.7342            | -23   |
|                  | <b>(E)</b>                     |                   | -0.0042  | 873 - OF               | 931/2             |          |                | _          |           |        |                   | -     |
| and all          |                                |                   |          |                        | 1,1811            | 1,1702   |                | -          |           |        | -                 | -     |
| <b>Section</b>   | Land.                          | 1.1718            |          | 716 - 728<br>171 - 178 | 1 4285            | 1.4190   |                | -          | -         | -      | •                 |       |
| d                |                                | 1.4175            |          | 1/1 - 1/0<br>986 - 704 | 1.7842            | 1.7518   | 1,7721         | -1.0       | 1.7771    | -1.7   | 1.799             | -1.7  |
| 2262             | CR                             | 1,7895            | -010230  | 450 - 808              | 17.555            | 11,4571  | 11,5989        | -258       | 12.1674   | -25.0  | 14.307            | -24,4 |
|                  | (ma)                           | 11.452            |          | 718 - 722              | 1_1813            | 1/1/01   | 1.123          | -1,8       | 1.1773    | -1.8   | 1.1230            | -20   |
| M                | (4)                            | 1.172             | -        | 110 - 125              |                   |          |                |            |           |        |                   |       |
| فالأر الأو       | طفالتيهن ير                    | 1.8626            | A mind   | 615 - ESS              | 1,900             | 1,8696   | 1,9548         | -14        | 1.2594    | _1.5   | 1,8627            | -1,8  |
| 7                | #S)                            |                   |          | 75 · 23                | 9,1487            | 9.0572   | 9.0952         | -1.5       | 9.1296    | -21    | 2.74              | -12   |
| ومنا رس          | (M2)                           | 9.0607<br>49.6159 | 6.7220   | 015 - 242              | 50.226            | 49,7361  | 60.0561        | -51        | 50.6704   | -60    | 54,5738           | -8,5  |
|                  | <b>P</b> S                     | 4907.75           |          | 722 - 834              | 01(51)00          | 9250.00  | 9592 F         | -37.A      | 10034.02  | -\$1,4 | 11606.72          | -24   |
| describ.         | (Republic                      | 4,7704            | 0.0577   | 697 - 771              | 4.8437            | 4.7534   | -              | -          |           |        |                   |       |
|                  | (504)                          | 131 956           | - 1910U  | NG - 125               | 735,100           | 130,903  | 131.6214       | 3.0        | 131,2061  | 29     | 122279            | - 21  |
| igani.<br>Magada | (7)                            | 4.4537            |          | 829 - 850              | 4.504             | 4 4504   | -              | -          | -         |        |                   |       |
| بريد<br>مراريخ م |                                | 2173              | -8.0191  | 712 - 744              | 2.2060            | 2.1707   | 21750          | -1.1       | 2.1806    | -1.4   | 22146             | -1.8  |
| Arrive           | Field                          | 44,775            | +0.0615  | 570 - S39              | 45.302            | 44,5337  | 45.1959        | -11.4      | 45,0975   | -11.0  | 49.7915<br>4.5597 | -112  |
| فأنها أو         | <b>7</b>                       | 4.3857            | -0.11236 | 946 - 95F              | 4,4304            | 4.3897   | 4,4091         | -37        | 4.4375    | -38    | 1.9581            | -37   |
|                  | <u> </u>                       | 1.966             | -0.0031  | 645 - <b>87</b> 5      | 1.9780            | 1.9623   | 1.9634         | 1.8        | 1.9902    | 1.2    |                   | 1.4   |
| ot: Alfa         | 65                             | 6.6636            | -0.1334  | SSB - 896              | 6.8290            | 8.6363   | 6.7359         | 71.2       | 6.8690    | -124   | 7.5107            | -127  |
| with Marca       | dist                           |                   | -15,6000 | 343 - 975              | 1382.12           | 1352.00  |                |            | 37.8638   | -1.6   | 38,6792           | -24   |
| hene             | (25)                           | 37,7991           |          | 731 - 448              | 39_1590           | 37 (550) | 37.7307        | -47<br>-10 | 41.0088   | -3.3   | 44.5745           | -41   |
| and a            | (24)                           | 42,000            |          | E - S                  | 43.1611           | 42.3922  | 42,7982        | -21<br>-21 | 4.3274    | -21    | 443/45            | -23   |
| E                | (Michigan)<br>Mark Analytin Sa | 4.3047            | 0.000    | <b>13</b> · S          | 4.3350            | 4.3040   | 4.4122         | -21        |           |        |                   | *     |

| BONDS  |  |   |                |              |                |              | _            |              | _            |     |
|--|--|---|----------------|--------------|----------------|--------------|--------------|--------------|--------------|-----|
| Jan 66   | Part (Sec.)  | Ark   | State<br>State | AK.          | E #            | Ark          | Ref.         | *            | IN .         | Ad  |
| T year   | 120  | 3.23  | 3.20           | 3.24         | 6.72           | 6.25         | 4.95         | 4.98         | 0.43         | 0.4 |
| 3 Ame.<br>5 Ame.   | 3.32<br>3.32   | 127<br>137  | 324<br>324     | 126<br>138   | 5.46<br>5.44   | 5.49<br>5.48 | 4.98<br>5.96 | 5.01<br>5.09 | 4.69         | 0.7 |
| 4 year<br>5 year   | 3.44   | 3.50<br>3.65  | 147            | 3.51<br>3.66 | 5,44<br>5,43   | 5.48<br>5.47 | 5.11         | 5.14<br>5.19 | 1,01         | 1.0 |
| 8 year<br>7 year   | 3.00   | 3.80  | 2 <i>77</i>    | 3.81         | 5,41<br>5,41   | 5.45<br>5.45 | 5.23<br>5.28 | 5.25<br>5.31 | 1.14         | 1.1 |
| il year  | 3.95   | 4.12  | 4.09           | 4.13         | 5.41           | 5.45         | 5.33         | 5.35         | 1.41         | 1.4 |
| 9 year<br>18 year  | 4.09<br>4.15   | 4.25<br>4.34  | 4.22           | 4.26         | 5.41<br>5.41   | 5.45         | 5.20<br>5.44 | 5.42<br>5.47 | 1.55<br>1.66 | 1.5 |
| 12 year<br>15 year   | 431  | 4.90  | 4.67<br>4.55   | 4.51<br>4.70 | 5.49<br>5.38   | 5.45<br>5.45 | 5.51<br>5.62 | 5.54<br>5.65 | 1.85         | 1.9 |
| 10 Jan.<br>10 Jan.   | 4.70   | 420   | 4.86           | 4.90         | 5.38           | 5.45         | 5.71         | 5.60         | 234          | 23  |
|  |  |   |                |              |                |              |              |              |              |     |
| SI year<br>30 year<br>Thi and set wine<br>year it years i<br>see year on with it | 4,80<br>4,86<br>= of clo   | 4.90<br>5.06  | 5,             | 5.00         |                | 5.44<br>5.44 | 5.71<br>5.71 |              | 2.45<br>2.48 | 2.5 |
| 25 year<br>30 year<br>16 and ant man<br>year in manan<br>year one which is       | 4.86 A.86 as of cluber, E on the same same same same same same same sam          | 4.90<br>5.06  | Siliz<br>order | 5.00         | 1.36<br>(2.5 S | 5.44<br>5.44 | 5.71<br>5.71 | 5.70         | 2.45<br>2.48 | 2.5 |
| 25 year<br>30 year<br>16 and ant man<br>year in manan<br>year one which is       | 4,80<br>4,86<br>m of do<br>lies, E on<br>lies, E on<br>lies and in<br>packed age | 4.90<br>5.06<br>m of L<br>d Yes<br>2.500<br>mst 3 m | Siliz<br>order | 5.00         | 1.36<br>(2.5 S | 5.44<br>5.44 | 5.71<br>5.71 | 5.70         | 2.45<br>2.48 | 2.5 |
| 25 year<br>30 year<br>16 and ant man<br>year in manan<br>year one which is       | 4.86 A.86 as of cluber, E on the same same same same same same same sam          | 4.90<br>5.06<br>m of L<br>d Yes<br>2.500<br>mst 3 m | Siliz<br>order | 5.00         | 1.36<br>(2.5 S | 5.44<br>5.44 | 5.71<br>5.71 | 5.70         | 2.45<br>2.48 | 2.5 |
| 25 year<br>30 year<br>16 and ant man<br>year in manan<br>year one which is       | 4.86 A.86 as of cluber, E on the same same same same same same same sam          | 4.90<br>5.06<br>m of L<br>d Yes<br>2.500<br>mst 3 m | Siliz<br>order | 5.00         | 1.36<br>(2.5 S | 5.44<br>5.44 | 5.71<br>5.71 | 5.70         | 2.45<br>2.48 | 2.5 |
| 25 year<br>30 year<br>16 and ant man<br>year in manan<br>year one which is       | 4.86 A.86 as of cluber, E on the same same same same same same same sam          | 4.90<br>5.06<br>m of L<br>d Yes<br>2.500<br>mst 3 m | Siliz<br>order | 5.00         | 1.36<br>(2.5 S | 5.44<br>5.44 | 5.71<br>5.71 | 5.70         | 2.45<br>2.48 | 2.5 |
| 25 year<br>30 year<br>16 and ant man<br>year in manan<br>year one which is       | 4.86 A.86 as of cluber, E on the same same same same same same same sam          | 4.90<br>5.06<br>m of L<br>d Yes<br>2.500<br>mst 3 m | Siliz<br>order | 5.00         | 1.36<br>(2.5 S | 5.44<br>5.44 | 5.71<br>5.71 | 5.70         | 2.45<br>2.48 | 2.5 |
| 25 year<br>30 year<br>16 and ant man<br>year in manan<br>year one which is       | 4.86 A.86 as of cluber, E on the same same same same same same same sam          | 4.90<br>5.06<br>m of L<br>d Yes<br>2.500<br>mst 3 m | Siliz<br>order | 5.00         | 1.36<br>(2.5 S | 5.44<br>5.44 | 5.71<br>5.71 | 5.70         | 2.45<br>2.48 | 3   |
| 25 year<br>30 year<br>16 and ant man<br>year in manan<br>year one which is       | 4.86 A.86 as of cluber, E on the same same same same same same same sam          | 4.90<br>5.06<br>m of L<br>d Yes<br>2.500<br>mst 3 m | Siliz<br>order | 5.00         | 136<br>(8 S    | 5.44<br>5.44 | 5.71<br>5.71 | 5.70         | 2.45<br>2.48 | 2.5 |
| 25 year<br>30 year<br>16 and ant man<br>year in manan<br>year one which is       | 4.80<br>4.86<br>as of cluber, E on<br>there is an<br>partner spe-                | 4.90<br>5.06<br>m of L<br>d Yes<br>2.500<br>mst 3 m | Siliz<br>order | 5.00         | 136<br>(8 S    | 5.44<br>5.44 | 5.71<br>5.71 | 5.70         | 2.45<br>2.48 | 2.5 |

| EURO-ZO         | MF DE  | all bear |          |           |           | Day's | APPLY T                        | San  |
|-----------------|--------|----------|----------|-----------|-----------|-------|--------------------------------|------|
|                 | Red    | _        | SAP      | 100       | 96        | chge  | chas                           |      |
| Jan III         | delle  | Constru  | Reding   | prior     | pinisi    | 96    | yld                            | GON! |
| IN SOMESME      |        |          | :        |           |           |       | 3 7, 4, 11                     | 4,   |
| UK              | 01/01  | 4,250    | AAA.     | 101.978   | 3.34      | +0.00 | -0.20                          |      |
| Denesark        | 01/02  | 4,750    | MA.      | 103.952   | 3.34      | +0.01 | -0.10                          |      |
| Sweding         | 02/01  |          |          | 103.439   | 3.25      | +0.00 | +0.03                          |      |
| Greece          | 11/06  | 6,750    | 996      | 114.584   | 4.50      | +0,01 | -0.04                          | +0   |
| M SUPLANIES     | iner S |          |          |           | . :.      |       |                                | 7    |
| ADR             | 10/07  | 5.900    | AAA      | 109.571   | 4.17      | +0.00 | -0.18                          |      |
| 98              | 64/08  | 5.000    | AAA      | 108.262   | 3.02      | -0.00 | -0.15                          | +0   |
| Eurodee         | 12/09  | 5.625    | AAA      | 110.952   | 4.34      | -0.01 | -0.16                          | +4   |
| World Busic     | 0405   | 7.15     | ***      | 115,406   | 3.78      | +0.01 | +0.11                          | +6   |
| W 1002 1170     |        | ٠        |          | 13500     |           | 5 6 3 | 7-17-0                         |      |
| ene.            | 10/02  | 3750     | m/a      | 181,003   | 3.52      | +0.02 | -8.12                          | +6   |
| 16PC0           | 02/03  | 4.750    | AA       | 103.510   | 3.81      | +0.01 | +0.11                          | +6   |
| Quebec Hirdro   | 03/08  | 5.275    | A        | 105.951   | 4.57      | +0.00 | -0.08                          | +0   |
| Norak Hydro     | 10/29  | 7.200    | mft      | 102.804   | 3.54      | -0.04 | +(1.00                         | +0   |
| III FRANCINIS   | :-     | ٠.       | <u> </u> |           | · · · · · |       |                                | 37   |
| Bod Warts       | 05/10  | 5.375    | AAA      | 100,507   | 4.27      | -0.01 | -0.14                          | +8   |
| DICE            | 09/07  | 5.750    | AAA      | 112,479   | 4.01      | -0.01 | -0.20                          | +0.  |
| Credit Local    | 0408   | 5.250    | Alte     | 107.903   | 4.20      | +0.00 | -0.18                          | +0.  |
| falory Heli     | (11/09 | 5.000    | 44-      | 100,780   | 4.84      | 40.0  | -9.77                          | +0.  |
| B BOSTON        |        | 100      |          | 7 75.     |           |       | - 17 - V<br>- <del>- 7</del> - |      |
| lolenr          | 1001   | 5.725    | AAA      | 104,445   | 3.40      | +0.01 | -0.18                          | +0.  |
| McDonalds       | 05/00  | 8.125    | AA .     | 100,000   | 3.83      | +0.00 | -0.15                          | +6   |
| Philip Monds    | 56/06  | 5.825    | A        | 105.886   | 4.86      | +0.00 | -0.31                          | +1,  |
| 湖 食 門           | 67/96  | 5.325    | 100      | 107,453   | 8.13      | 48.01 | +0.13                          | +1,  |
| -               |        |          |          |           | . 5.13    |       | · · · ',                       | Ů.   |
| Inein Jihou     | 1201   | 5.000    | men.     | 105.723   | 235       | +0.06 | -0.18                          | +6.  |
| AC .dibo        | 81/04  | 5.000    | n/a      | 106.386   | 139       | -0.01 |                                | . 4  |
| Naver Vendos    | 21/26  | 6.000    | m/a      | 113.163   | 3.83      | +0.00 | -0.19                          | +0.  |
| Jepta           | 87/04  | 4.784    | m/a      | 104,995   | 4.10      | +0.01 | -0.93                          | +8.  |
| -               |        | 11.5     |          | :         | . 4:11    | 3 .   | 1.5                            | ÷γ   |
| interit         |        | 10.125   | M        | 185,846   | 3.31      | #UM   | -0.22                          | 44   |
| at Talacus      | 11/87  | LOS      | aria .   | 103,676   | 2.30      | -0.10 | 0.22                           | -44  |
| moress Metal    | 05/97  | 9.675    | 3        | 110.179   | 7.70      | -0.10 | -8.15                          | +4   |
| Incre Colobrine | -      | 10.000   | 84       | MR. D. W. | 10.86     | +0.01 | -1.65                          | +7.  |



illooth conver

mks confront nd choices on adling euros

Saffer Corner



LOOKS DEPENDS UPON YOUR VANTAGE POINT.

roots keep us close to the growth opportunities.
Eye-to-eye with one-of-a-kind investments. Well-versed in the art of the European deal. Bardays Capital offers companies and investors opportunities that only first-hand information and 300 years of experience can spot. Bardays Capital was the Top Euroloan Arranger in 1996, 1997, and year to date.\* No other bank has financed and arranged more syndications in the Euroloan market than Bandays Capital. Since

In the curotoan market than bardays capital. Since January 1998, Bardays Capital has lead-managed 119 bond issues totaling US\$30.83 billion, including 13 EURO deals worth more than €4.23 billion. With assets of US\$416 billion, capital resources exceeding US\$19 billion. our AA credit rating,\*\* and an insider's knowledge of the European markets, Bardays Capital is positioned to devise and execute focused integrated solutions for its clients.

> BARCLAYS CAPITAL

#### A SHARPER FOCUS

CHICAGO = FRANKFLIKT = HONG KONG = KOHANNESBURG = LONDON MADRID = MILAN = HUMBAI = NEW YORK = PARIS = SINGAPORE = SYDNEY = TOKYO

And in 10 other chies across the world

Source FR, and 5,12 M school Bank FR, could retrige MANAGE

#### BUSINESS AND THE EURO

Months of co-operation between fierce rivals ensured the euro got off to a trouble-free start

المكذامن الأمهل

### smooth conversion greets Europe's new currency

The memo posted on the out to get through in a day wall of Chase Manhattan's and a half, leaving space to operations centre in Bournemouth, on the southern coast of England, conveyed a sense of triumph.

"To; the traders and bank-

From: the techies and ops

Re: the euro We've done our bit. Now the

action is all yours." As trading began smoothly this week in the new European currency, it became clear that across the financial services sector, the techies and ops people had indeed done their bit, better even than they had dared

nope.
Months of co-operation between banks that usually compete fiercely, along with repeated rehearsals of the conversion process, paid off as the long weekend from the setting of suro conver-sion rates on Thursday December 31 through to the start of dealing on Monday January 4 passed off with

scarcely a hitch. Most banks found that any problems could be dealt with easily by band, and many were able to finish the entire process of converting bank balances ahead of schedule,

go back and rerun if anything went wrong. In the end, we came in four hours inside the schedule," said

Bill Grant, Emu project director at Citibank, the banking arm of Citigroup, the financial services con-"We had a few glitches

where we took a few minutes to think about what to do, but I can't even think of anything I would describe as a problem," said Joanna Meager, at Salomon Smith Barney, Citigroup's investment banking subsidiary.

"Everybody involved did precisely what they were supposed to do, when they were supposed to do it," said Kirchhoff, who headed the Emu team at J.P. Morgan, the US whole-

Even Canadian banks appeared to have handled the conversion smoothly, despite having to contend with 50cm of snow, which prevented many staff from making it into the office.

The smoothness of the conversion weekend was helped by relatively low volumes of transactions in the tral Bank to link national week between Christmas "We had worked this thing and New Year - lower even

Target: how the settlement system works Examples of payment

than the norm for this offpeak period. As traders and treasurers started firing live euro bullets this week, rather than the "when issued" or synthetic deals

from before the new curren-

cy's official birth, volumes

nained moderate. Not only the currency was new on Monday morning. This week also saw a baptism of fire for Target, the high value payments system set up by the European Cenpayments systems from all 15 European Union coun-

tries, and for the Euro Banking Association's new euro

little bit nervous about the any substantial problems during testing, but simply because the expected volclearing through the system were so much higher than the limited quantities of ecus the EBA has until now been

But the system has worked smoothly so far. All through, where a net system

through Target from the opening time at 7am Frankfurt time onwards. It also began smoothly. but ran into bottlenecks

ments can, therefore, go

towards the end of the day, when large volumes of payments stemming from national net payment systems started to flood into the system. Target operates as a hub, linking together each country's own real time gross settlement system, so problems in one country can

affect the centre even if they

do not have any real impact

on other national systems.

On Monday, the difficulties were fairly widespread, and Target had to announce three half-hour extensions to its normal closing time of 6pm Frankfurt time to ensure everybody's pay-ments got through. On Tueslems in the Portuguese pay-

day and settle up the net bal-ances at the end of the day, ECB officials insisted the Target makes gross paydelays were merely predictments in real time. If Bank able teething troubles. Pri-A owes Bank B €100m at vate sector bankers said the 10am, and Bank B owes delays had not prevented Bank A the same amount at them from starting their 3pm, both payments will go overnight batch proces time, and had caused no

that happens I think we can still pat ourselves on the back," said Joost Kuiper, to update valuations. senior vice president for

treasury and fixed income at ABN Amro in Amsterdam. Other segments of the European financial system appeared to have coped well with the transition. Cedel and Euroclear, the two securities depositories which clear many international bond and equity transactions, both came through the weekend with flags flying high, releasing converted

balances to clients well ahead of schedule.

Bankers are still cautious about proclaiming victory before the infrastructure has proved that it can stand up to real volumes. The first euros traded in the spot foreign exchange market only came through for settlement last night, and securities trades from Monday will

thing on Monday discovered

their accounts showing at

zero, because their systems

did not yet have live prices

At the Bank of England, credited by many banks for its work in co-ordinating preparations for the euro conversion in the capital

We had a few glitches where we took a few minutes to think about what to do, but I can't even think of anything I would describe as a problem. Everybody involved did precisely as they were supposed to do'

appeared for the most puri to have coped with the conversion process, though plained that their custodians were slow in giving details Some retail stockbrokers also encountered difficulties. In Germany, some on-line

markets. David Clementi. deputy governor, expressed

"Today has been a huge milestone. There are further milestones to come but we



### hard choices on handling euros

by Seorge School, Banking Editor

The birth of the euro has launched a cutthroat competition in the payments market, not only between clearing banks but also between payments systems.

At the systems level, each country in the European Union is obliged to have a their feet over collateral real-time gross settlement system connecting to the European Central Bank's Target system.

Many countries also operate end-of-day net payment systems, and at a transnational level the Euro Banking Association, which cleared Ecus, is running a net system that is expected to be a major contender.

Estimating payment vol-umes in euros has been difficult, but, on the basis of national currency payments, a Boston Consulting Group pady last year estimated raffic in the 11 euro-zone countries at around 322,000

high-value payments a day. The capacity added in anticipation of the new currency by Germany's EAF, the UK's Chaps Euro. France's TBF and the EBA system - just four of the biggest channels competing for euro transfers - could handle another 744,000 payments

Banks do not yet know which of these systems will end up as the dominant channels, so many of the larger clearers have signed up for half a dozen systems to cover their bcts. This is costly, however, not so much in terms of membership fees and running costs as in the although these figures indiadded difficulty of managing iliquidity. Banks will soon want to narrow their

collateral, usually in the Société Générale, Bankers Each bank has to put up form of government securi- Trust - soon to be taken ties, in each of the systems over by Deutsche - Bank of in which it is participating America, Midland and Barto cover its outgoing pay clays. Many who fail to ments. Any glitches could make the top 10 face stack result in a bank running decisions over persevering.

EBA - and having to borrow to cover its needs - despite having surplus euros in its

While it is easy enough to switch cash around the continent through Target, it can be more complicated to move collateral. Some central banks are still dragging transfer arrangements; there is a suspicion among some bankers this is a deliberate ploy designed to keep liquidity within their national

money. market. There are also far too many banks competing for payments business. The euro sharply reduces the need for large banks to maintain correspondents in different euro-zone countries and also opens the door for corporate clients to slash the number

of banks they deal with. Since the D-Mark accounts for around half of all payments in the euro-zone, Deutsche Bank and possibly Commerzbank of Germany are expected to emerge as market leaders in terms of volumes cleared. But a number of US banks also appear well-placed.

Broadcasts on the Swift interbank message system of Standard Settlement Instructions, in which banks and ket where to send any euro payments they are owed, suggest Chase Manhattan so far leads the field, featuring in 27 per cent of SSIs issued up to December 23.

Deutsche follows with a 19 per cent share, and Citibank lies third with 6 per cent cate only numbers of banks issuing SSIs and not volumes of euros.

The top 10 is rounded out by Dresdner, Commerzbank,

### There's only one place to go for your euro solutions. And here they all are.

ited the required collateral

payments on time on Mon-

day morning and settled

their payments successfully.
Unlike EBA, which is a net

owe each other during the

www.ibm.com/euro/impacts\_and\_opportunities

www.ibm.com/euro/and\_dual\_pricing

www.ibm.com/euro/not on my keyboard

www.ibm.com/euro/and\_e-business

www.ibm.com/euro/i\_need\_more\_resources

www.ibm.com/euro/my\_customers\_want\_euro\_invoices

www.ibm.com/euro/can\_IT\_tools\_help

www.ibm.com/euro/is\_not\_just\_another\_currency

www.ibm.com/euro/i\_need\_a\_project\_plan

www.ibm.com/euro/heeelllp

Discover the euro solution you've been searching for at any one of the addresses above. Or try www.ibm.com/euro. Either way you'll end up at the IBM euro solutions Web site. And there, whatever your company size and irrespective of how far along the road to full adaptation you are, you'll find everything you need to cope with the challenges and realise the opportunities of the single currency. It's an invaluable store of euro information, services and products designed to help make your organisation's euro plans as straightforward and beneficial as possible. Feel free to visit www.ibm.com/euro

Solutions for a small planet



By Rabut Jacob in London end John Labate in New York A successful German bond auction pushed European markets higher yesterday. Germany sold €7.3bn of 10-year bunds at a yield of

They sold about €8bn and got €25.6bn. The investors' attitude is 'Get them while you can'," said Andrew Roberts, fixed income strategist at Merrill Lynch.

3.71 per cent. The auction

The auction was seen as an early hid to establish the German bund's credentials as the benchmark yield

ply expected this week 2009 and 2029. loomed as a damper on prices. Some €21hn in euro bonds will have been sold by governments this week. Spain also saw strong demand when it sold €2.2bn

was subscribed more than "The auctions would have been a big test for the markets anyway. The low levels of yields and low levels of liquidity have made them a stiffer test," said Philip Tyson, bond strategist with HSBC Markets.

Thus far, the test has been passed with ease. The strong demand this week bodes well for the French government's auction on Thursday. It will

France's offering, coming so soon after Germany's, has inevitably stirred up the debate over which market will establish itself as the benchmark yield curve for worth of three-year, 10-year euro debt. Some observers and 30-year bonds yesterday. saw yesterday's auction as further proof that Germany remains clearly in the lead.

> "The French authorities have tried a lot harder, but I don't see how France could take over as the benchmark. unfair as that might be," said Sally Wilkinson, senior economist with Daiwa

> although France has been more innovative and was the

New international bond issues

market boasts much higher oversess participation.

"Germany is the cornerstone in holding Europe together, politically and economically. The bund will remain the benchmark." Ms Wilkinson said.

UK gilts ended slightly lower, with the 10-year gift 994, yielding 4,658 per cent. future falling from 119.25 to close at 119.16. Trading was notably light, and the market appeared to be holding its breath as it waited for the Bank of England's decision on an interest rate cut on Thursday.

US Treasuries were mixed Ms Wilkinson argues that in midday trading. Widespread selling, which hit the market earlier in the week,

By early afternoon the 30year bond, the benchmark in euro for long-term interest rates,

was å higher at 100 , yielding 5.198 per cent. Among shorter-term issues the 10-year note was down & to 99%, yielding 4.773 and the two-year note was down 🛦 to

"The stock market and the dollar are everything here," said Dennis Hynes, chief investment strategist at R. W. Pressprich in New York.

An easing of hedging in the corporate bond market and an improvement in the dollar's value against the yen were also seen as post-

Monday morning. On Tuesday, volume

By Mikki Tait in Chicago

The Chicago Mercantile

than many expected. The comments came as traders debated what the likely level of sustainable business in the new contract would be. Despite the official enthusiasm, volume in the two opening days was still modest compared with some more established contracts.

The current contract eflects the value of the euro in US dollars and is sized at €125,000. The minimum price increment is \$12.50. Next week, the exchange plans to add trading in three crossrate contracts using the suro the suro/British pound,

euro/Japanese yen. These will also be sized at €125,000 and will be quoted and settled in terms of the counter currency (such as British pounds).

## Jons call the Successful bund auction lifts Europe | CME sees 'solid' | Solid' | take pounding

in Tokyo

The decline is not surpris-

ing. Among non-financial

companies in the first sec-

tion of the stock market, pre-

tax profits, excluding excep-

tional items, are expected to

fall 42 per cent in the year to

March, said Garry Evans, at

Prospects for next year are

bleak, especially since the

yen's recent rise to Y111 to

However, the most serious

and unexpected problem is

the rise in bond yields. On

December 30 the 10-year IGB yield reached a 15-month

Fear that oversupply in

the government bond mar-

ket may push yields even

First, it has raised the cost

of capital. Easy access to

low-cost capital, a hallmark

of the Japanese corporate

system, may be a thing of

the past, Indeed, some com-

panies, whose debt has been

downgraded, can no longer

Second, the rise in the

yield on government bonds

has made equities less

"High interest rates usu-

ally occur when there is opti-

mism for growth. Now we

attractive relative to bonds.

higher has had two effects.

high of 2.01 per cent.

the dollar has hit exports.

HSBC Securities Japan.

Exchange, one of the two big US futures markets, yester-Japanese stocks are being day described trading in the pounded by high Japanese new euro currency futures government bond yields, that started this week as negative corporate growth "solid". It said it had seen prospects and an appreciatrespectable liquidity and ing yen. From its 1998 high interest from a broad specof 17,352, the Nikkel 225 trum of customers. index has fallen 23 per cent.

The CME said 2,926 contracts were traded on Monday. The vast bulk of those, 2,667, were handled through the pit, in regular trading hours, with just 259 contracts trading electronically, via the Globex system, on Sunday evening and early

dropped to 2,100 contracts, with open interest standing at 2.191 by Tuesday's close. Scott Gordon, the CME's chairman, said the exchange had been impressed by the volume, with Rick Kilcollin, president, adding that the activity had been stronger

the euro/Swiss franc and the

have rising interest rates and a pessimistic growth outlook, and the market is being hit all around," said Craig Chudler, at Salomon Smith Barney.

High interest rates are most damaging to highly geared sectors such as air. lines, construction and real

"Higher bond yields hust the airline companies, which with heavily levered balance sheets and weak cashflow, are interest rate. sensitive," said Laurent del Grande, at Dresdner Kleinwort Benson

The yield on the 10-yea JGB has climbed by 135 basis points from its year low of 0.695 per cent on September 17. Since then, the airline sector has underperformed the market by 16 per cent. Performance in the highly geared construction sector began to decline in mid-October. Banks, which have substantial bond portfolios, began to decline in early December and have underperformed the market

Higher government bond yields have also hit shares of companies traditionally bought for their yield.

since the close of 1998.

"The increase in bond yields over the past few weeks has negative implicanesses which require a higher yield to make them sttractive against other asset classes," said Mr del Grande. Since its high in November, the property sector has

underperformed the market by more than 15 per cent. Utilities, however, have outperformed the market, with regulated earnings and a yield of 2.2 per cent supporting the sector.

With the stocks of exporters suffering from the high yen, and domestic groups enduring the worst recession since the post-war recovery. the outlook is grim.

25 A 335 PA 335

### **Philippines** steals the show

NEW ISSUES By Edward Lace, Capital Markets Editor

The Philippines yesterday stole the show with the launch of a \$1bn offering its largest ever on the international bond markets.

Interest in the two-tranche issue, which will be priced today, to some extent assuaged fears about oversupply in the investment grade dollar sector.

In the space of just three trading days, almost all the world's largest borrowers, including the World Bank, the European Investment Bank, KfW, Dresdner Bank, Deutsche Bank, Fannie Mae and Ford Motors, have tapped the dollar sector. One or two of these deals have been significantly outperformed by the swaps market, which has tightened considerably this week.

WORLD BOND PRICES

BENCHMARK GOVERNMENT BONDS

In addition, European institutional investors with the launch of the euro while Japanese investors are understandably worried about buying dollars with the yen having appreciated so steeply this week.

"This is more than the market can digest," said one official. "The global climate has just exploded this week."

with the first dollar offering the Philippines came to the market last April and the crists. Appetite for the deal split into 10-year and 20-year tranches - was enhanced by the growing realisation that there will not be a deluge of paper from Asian sovereigns, as was widely expected a few months ago.

4,000 100,000 3.07 -0.02 -0.05 -0.16 5,750 112,4400 3.96 +0.87 -0.07 -0.14

1.00 3.82 1,79 4,84

+8.62 +8.63 +8.01

-0.18 -0.14 -0.18 -0.27

+0.40 HUM -0.16 -0.23

-0.06 -0.13 -0.06 -0.10 -0.10 -0.16 -0.11 -0.16

hasn't changed that much since November yet volume The Philippines, at least, could count on rarity value from south-east Asia since first big deal since before the

ply has been pre-empted by the provision of Japanese guarantees for yen denominated offerings by Malaysia and Thailand and by better than expected current account surpluses in South Rores and Thailand.

BOND FUTURES AND OPTIONS

+0.04

than people had feared so Reconstruction and Developinvestors are keen to buy into a bond with this kind of yield," said an official at J.P. Morgan, joint lead with Warburg and MSDW. Elsewhere, Tuesday's

112.32

es. a2) Fungible with \$500m. Plus 90 days ac malble with \$750m. Plus 34 days accrued. c1)

Jul 2009 0.325R Jen 2007 0.30R Jun 2002 0.1875R Jen 2003 1,00

ment performed well. Tyco, the US industrial group, issued a two-tranche dollar bond, while BNG targeted the European retail investor base with a \$200m suro-linked 200m zloty deal offering.

US CORP

اعتريتها 🗷 Pac Bell Ny Tol CNYE

Sans One

| Euro      |      |            |         |    |
|-----------|------|------------|---------|----|
| E 5987 80 |      | E GATE C   | 200,000 |    |
|           | Open | Salt price |         | He |
|           |      |            |         |    |

| -                                 |                |        |                 |                  | INTERNA              | TIONAL       | BON    | DS               |
|-----------------------------------|----------------|--------|-----------------|------------------|----------------------|--------------|--------|------------------|
| E (MATY) C<br>See price<br>112,20 | High<br>112.80 | 112.40 | Est. vol.<br>20 | Open int.<br>200 | Jan. 6<br>Jan. 877 : | Red<br>dicto | Coupen | S & P<br>Finding |

| 1014  | Acres for      | MARIEN       | 201200     | -                    |                     | _              | _              |                |  |                |                 | 5 & P      | Bald                 | and the       | 100            | ohoe                       | -       |
|-------|----------------|--------------|------------|----------------------|---------------------|----------------|----------------|----------------|--|----------------|-----------------|------------|----------------------|---------------|----------------|----------------------------|---------|
| pen   |                | ii price     | Change     | High                 | سورا                | Bit.           |                | pen int.       | Jac 6  | iles<br>dele   | Соцени          | Pinting    | price                | yki           | ye             | yel                        |         |
| 12,80 | 1              | 12,20        | +0.20      | 112.80               | 112.40              | 20             | ı              | 250            | # ERO 8: 15                                    | 1.50           | 7: :            |            | 1.74                 |               |                | - 3 ° °<br>- 1 ' 1 - 1 - 1 |         |
| wie   | 2077           | - 00         | ATTOR      |                      |                     |                |                |                | <b>33</b>                                      | 04/97          | 7.250           | AAA        | 112.2714             | 5,37          | +0.01          | +6.19                      |         |
| U     | WI             | E DU         | NDS        |                      |                     |                |                |                | ABN Amro                                       | 06/07          | 7.125           | AA-        | 105.0682             | 6.32          | +0.01          | +0.04                      | 4       |
|       |                |              | _ :        |                      | <u>.</u> .          | Days           | Maria          | Spro           | Quebec   | 01/07<br>02/04 | 7.030           | A          | 94,8121              | 5.88          | +0.01          | +0.11                      | - 1     |
|       | April          |              |            | Blef                 | 96                  | chge           | - digit        | No.de          | Citizon File                                   | UZUA           | 5.312           | -          | 30(6)                | 0.41          | 74401          | 46611                      | . 7     |
|       |                | Coupe        | Rulling    | MICE                 | 7004                | yki            | yid            | Govin.         | E SHO CS                                       | 100            | -               | · i        | 2.0                  |               |                |                            |         |
| :     |                |              | · · ·      |                      | ٠ - ٠               | · · ·          | ·              |                | Bayer L—Bit                                    | 08/04          | 9.500           | AAA        | 118,8397             | 7.3           | +0.04          | +0.04                      | 4       |
|       | 07/02          | 7.28         | M-         | 106.1134             | 5,30                | +0.03          | +0.09          | +5.30          | Toppolo par on                                 | 05/04          | 1,000           | Mr.        | 114.0338             | 5.41          | +0.04          | +6.06                      | 4       |
|       | 017            | 7.90         | A+         | 101.8860             | 6,84                | +0.03          | -0.01          | +1.84          | Bell Canada<br>Contenho II III                 | 07/99<br>08/02 | 10.025<br>5.875 | A+<br>M-   | 102,5826             | 5.17<br>5.30  | +0.01          | +0.01<br>+0.06             | - 1     |
|       | 05/06          | 9.D0         | 100        | 114.7325             | 100                 | +0.04          | +0.05          | +1.19          | Deutecho & FRM                                 |                | " ews           | 1          | 101.0000             |               | - 44005        | 443.00                     | 7       |
| ı     | - 11           |              | × .        | • *                  |                     |                |                |                |  |                |                 |            | - V-1                |               | 3 - 3          |                            | . •     |
|       | 05/07          | 5.76         | AAA        | 120,7507             | ` 5.60 <sup>~</sup> | 4004           | +0.04          | +0.87          | B0   | 12/07          | 7.826           |            | 118,3540             | 4.99          | -0.06          | -0.30                      | 4       |
|       | 08/02          | 7.25         | A          | 105,2743             | 5.60                | -0.04          | +0.17          | 44.30          | Oreginer Bik                                   | 12/07          | 7.750           | AA-        | 101,8311             | . 5.88<br>528 | -0.06          | -0.43                      | 1       |
|       | 01/18          | 5.85         | Ã-         | 96.4164              | 7,30                | +0.05          | -0.20          | +2.10          | British Gas<br>Abbey Met PRN                   | 03/00          | 7.625<br>7.135  | **         | 100.1028             | 4.63          | -0.01<br>-0.01 | +6.02<br>-0.12             | •       |
|       |                |              |            | 100                  |                     | 1125           |                | Comments.      |  |                | 15130           | - 7        | 100.1000             |               | -              | -0.16                      | ٠,5     |
|       |                |              |            | 400 0004             |                     |                | 0.46           |                | 10. NO. 10. 10. 10. 10. 10. 10. 10. 10. 10. 10 | 1              | 03 <u>.5</u> 1  |            |                      |               |                | , <u>-:</u> ::             | • / • • |
|       | 04/69<br>05/62 | 6.25<br>6.75 | 395+<br>AA | 100.0987<br>105.2500 | 5,73<br>5,02        | -0.11<br>+0.02 | -0.16<br>+0.10 | +1,31<br>+5,32 | 55   | 01/08          | 3.750           | AAA        | 100.2100             | 3.33          | +0.01          | -0.01                      | 4       |
|       | 06/21          | 9.70         | Æ          | 134,8934             | £.69                | The same       | +0.10          | +1.49          | Brit Columbia                                  | 09/02<br>05/01 | 3.250<br>6.750  | AA.        | 109,7367             | 2.00          | -              | +0,07                      |         |
|       |                |              |            | 134,0004             | 6500                |                |                | -17            | Hydro-Coubec<br>Sen Seci.                      | 10401<br>10401 | 1.711           | n/a<br>n/a | 109.2884             | 2.63          | _              | +0.02                      | 4       |
| -     | · ·            |              | . :        | ٠                    | 4000                | · .            |                |                |  |                | 100             |            | 7.7                  |               | • ∓            | 70,00                      |         |
|       | 04/07          | 7.14         | N/A        | 111,8923             | 5.34                | +0.04          | +0.30          | +0.81          | III-EINO YES                                   |                |                 |            |                      |               |                | · 10 = 1                   | : :     |
|       | 03/00          | 7.50         | MA         | 102,7747             | 5.02                | -0.01          | +0.01          | +0.60          | MERIO (Monto (Mg                               | 03/02          | 5.280           | AAA        | 114.0798             | 0.77          | -0.00          | +0.82                      |         |
|       | 02/18          | 8,95         | MA         | 137,0135             | 5.73<br>E-10        | -0.03          | +0.25          | +0.63          | Spein (Kingdoza)                               | 03/02<br>08/02 | 5.750<br>4.750  | - A        | 116.4003<br>111.5650 | 0.85          | -0.08<br>-0.08 | +0.22                      | -       |
|       | 06/08          | 116          | 1424       | 122,0611             | 8440                | +0.04          | ₩0.26          | +0.57          | Cred Foncier                                   | 07/20          | 9.730           | ı.         | 100,0225             | 1,41<br>0.36  | -0.07          | +0.34                      | - 1     |
|       | ٠.             | 1.1          |            |                      |                     |                |                | 1.4.5          | Rely (Rep od)                                  |                | ·               |            | The state of         |               |                | 7416                       | ₩.      |
|       | 02/01          | 9,88         | 8          | 101,0006             | 6.00                | -              | _              | -              | III BIRO AS                                    |                | 100             | 1.13       |                      | 12.2          | ``             | Albert Sal                 | ٠.      |
|       | 12/01          | 9,13         | 86-        | 104,9300             | 0.00                | -              | -              | -              | MAND (World Mich                               | 02/06          | 6.000           | AAA        | 103.5327             | 6/4           | +0.06          | +0.18                      | 4       |

| · IV              | N1 123   |              |                                    |   |  |
|-------------------|--|--------------|------------------------------------|---|--|
|                   | Treesay  | 201          | and Bond                           | Yields .  |  |
| 774<br>854<br>441 | One modile Two regula Three modile Six monits One year | 4.86         | Torse year<br>Pers your<br>10-year | F   | -  |
|                   |  |              |                                    |   |  |
|                   |  | 74 Two month | 74 Teo month 4.0                   | Treesary dills and Bond One mooth Two year The mouth There you There mouth 448 They you 448 They mouth 448 They are | Treasury Bills and Bond Yields Two year The month Three year The month 448 Pre year 448 Bit worth 449 Three year |

| TSE Actuaries   | Gove   | mme   | nt Se  | curiti                                       | es                                |  | •  |   |   |  |   |                                      |   | UK In   | dices                            |
|---|--|---|--|--|-----------------------------------|--|--|---|---|--|---|--------------------------------------|---|---|----------------------------------|
| ice indices<br>Collin   | West<br>Jam 8  |   | Accrossi<br>Internal                                 | Acj acd                                      | Total<br>Reform                   | Duran<br>Years   | ion<br>Yspki                                 | %<br>Weight   | index-figland   | Wed<br>Jan 6                                   | Day's<br>chas %                           |                                      | aci edi<br>aci                          | Total<br>Return                                     | %<br>Weight                      |
| Up to 5 years (18)<br>5-10 years (11)<br>10-15 years (7)<br>5-15 years (8)<br>Over 15 years (4) | 121.99<br>172.88<br>188.36<br>177.38<br>334.81<br>331.84<br>187.84 | 0.04<br>-0.03<br>-0.03<br>-0.02<br>-0.28<br>-0.47 | 1.80<br>2.04<br>2.11<br>2.06<br>1.70<br>2.42<br>1.97 | 0.37<br>0.02<br>0.00<br>0.01<br>0.00<br>0.00 | 1000.20                           | 2.41<br>5.93<br>8.77<br>6.88<br>11.67<br>23.85<br>8.38 | 4.67<br>4.40<br>4.40<br>4.50<br>4.53<br>4.53 | 34.38<br>29.12<br>13.47<br>42.59<br>22.24<br>0.78<br>100.00 | 2 Over 5 years (5)<br>3 5-15 years (5)<br>4 Over 15 years (4)               | 227.20<br>257.71<br>241.76<br>272.21<br>282.03 | -0.09<br>-0.31<br>-0.16<br>-0.25<br>-0.19 | 1.15<br>9.22<br>1.92<br>2.93<br>2.03 | 0.00<br>0.00<br>0.00<br>0.00            | 1183.25<br>1395.77<br>1303.59<br>1479.93<br>1386.39 | 15.33<br>84.67<br>43.39<br>41.26 |
| eit indices in 6 ,  |  |   |  | Indiana                                      |                                   | Jan 5  |  |   | Beel yield Jim & Dar ye la  |  | r egs                                     |                                      |   | Jan 5   |                                  |
| yrs 4.38<br>yrs 4.40  | 4,35<br>4,38   | 6.33<br>6.13<br>6.09<br>6.08                      | liigh '  | 15 yra<br>15 yra                             | 4.53<br>4.41<br>4.53<br>Nor in de | 4.51<br>4.38<br>4.51                                   | 6.21<br>6.21                                 | · .   | Over 5 yrs 2.17 13.10 7<br>5-15 yrs 2.21 9.84 2<br>Over 15 yrs 2.14 16.69 2 | 215<br>216<br>212                              | 1.77<br>3.20<br>1.30<br>3.16              | 2.11<br>1,97<br>1,94<br>1,98<br>1,97 | 3,44<br>13,20<br>9,89<br>16,78<br>11,67 | 2.09<br>1.95<br>1.92<br>1.97<br>1.98                | 3.01<br>3.00<br>2.99<br>3.00     |

| CALLER MAIN PROPERTY    | -            | t value in | 4 (4 (4)    | . [     |                       |          |        |       | WE SENCE                   | 200         | 11.04      | 2,16       | 3.22      | 1.97     | 11.57       | 1.96             | 3.00      |
|-------------------------|--------------|------------|-------------|---------|-----------------------|----------|--------|-------|----------------------------|-------------|------------|------------|-----------|----------|-------------|------------------|-----------|
| FT Food Interest        | indicae      |            |             |         |                       |          |        |       |                            |             |            |            |           |          |             |                  |           |
|                         | <b>Jen 6</b> | Jan 5      | 3m 4        | Dec 30  | Dec 29                | Yr ago   | Higgs  | Law"  |                            | Jan 6       | , der i    | ا سال ا    | 1 Dec 30  | Dec. 29  | Yr ego      | High             | Low       |
| Sort, Secs. (UK)        | 118.15       | 116,25     | 116.45      | 115.98  | 115.53                | 103.07   | 11B.45 | 93.31 | Flood Interest             | 157 0       | 4597       | 2 4674     | 4 45-6    |          |             |                  |           |
| 100: Government Securit | ies 15/10/2  | and Redd   | interest 19 | 24 E 14 | political property of | HENNEY D | 1974.  |       | 127.46 (1/9/39), low 40.16 | (Valva). Ha | زويندا الم | وملك ظولاا | عنششوست د | 151.02 @ | (8/96), ibw | <b>33.33</b> (3/ | 178) Base |
| UK GILTS                | PRIC         | ES         |             |         |                       |          | ,      |       |                            |             |            |            |           |          |             |                  |           |

| Notes til                     |        | Price S   | +#-              | High     | i.m     | Moles                          | N.   | Red  | Price £  | +6'-          | High             |        | Hotes  | _(1)       | ž            | Price E   | +81-       | _ 52 t     | Lener    |  |
|-------------------------------|--------|-----------|------------------|----------|---------|--------------------------------|------|------|----------|---------------|------------------|--------|--|------------|--------------|-----------|------------|------------|----------|--|
| itaris" (Lines up to Ave. Yes | _      |           |                  |          |         | Coor 91 <sub>2</sub> pc 2005   | 747  | 48   | 177 (010 | 2554          | 107.00           |        |  |            | -            |           |            |            |          |  |
| an Pac 1999 84                | 9 553  | 100.0790  | 0052             | 10263    | 100.08  | Feet Milene Wife &             | 7 🖶  | 4 BD | T24 4000 | 1.00          | 124 7            | 424 mg | 21-ee 100 X                                  | 140        |              | A- 804    | 4704       |            |          |  |
|                               |        |           |                  |          |         |                                |      |      |          |               |                  |        |  | 1.00       | 200 1        | 84,0394   | ~.1784     | 199115     | 188,33   |  |
| nch 124pc 1989                | 6 5.S7 | 101.3534  | - 0101           | 105.31   | 101.38  | Trans Blane STE                | 246  | 44   | 124 1004 | 17,077,0      | 134.83           | 122.40 | 27-200-701[78.20                             | 200        | 201 2        | TOTAL     | - 1/64     | 206.40     | 194.72   |  |
|                               |        |           |                  |          |         | Com 93-pc 2006                 | 744  | 7.71 | 404 1000 | -,020         | 107.49           | 123.70 | 21-pc td(78.8)                               | 202        | 20 3         | Ur AZSB   | -Z255      | 307.83     | 192.34   |  |
| ame Spc 1999                  |        |           |                  |          | 98.64   |                                |      |      |          |               |                  |        |  | 1.94       | 214 1        | 33,729    | -2092      | 134,00     | 124,28   |  |
| 2007 10 April 1990            | 3 529  | 104,2466  | 0067             | 挪馬       | 1003.62 | Treas 73/pc 2005               |      |      |          |               |                  |        |  | 1.82       | 1.97 2       | 23,3394   | ~2031      | 283.97     | 加升       |  |
|                               |        |           |                  |          |         | Trans 82c 2002-6               | 7.70 | 430  | 111,1320 | +,030£        | \$\$ <b>1.26</b> | 184.95 |  | 1,30       | 2,02 2       | 14.5455   | - 2005     | 215,48     | 187,00   |  |
|                               |        |           |                  |          |         | Treas 71 <sub>200</sub> 2006   | 624  | 4,44 | 130,533  | -,0506        | 120,64           | 197,77 |  | 1,96       | <b>286</b> 2 | 27.50R0   | -3730      | 228.52     | 196,58   |  |
|                               |        |           |                  |          |         | Trace 11 Lips 2003-7           | 2.35 | 438  | 125,7330 | +1023         | 伍度               | 119.61 |  | 1,98       | 207 1        | 91,2038   | 4348       | 192,15     | 192.48   |  |
|                               |        |           |                  |          |         | Trans \$1 <sub>5</sub> 0c 3007 | £ø2  | 4.47 | 128,3646 | -0968         | 128.84           | 115.08 | 2 <sup>1</sup> -ps: 1661.6                   | 1.96       | <b>206</b> 2 | 16,7790   | -4604      | 212 M      | 175.38   |  |
|                               | _      |           |                  |          |         | Trees 74pc 2007                | 5.99 | 436  | 121.1320 | -0759         | 121.58           | 105.08 | 91-ae 98 / / / / / / / / / / / / / / / / / / | 200        | 2.07 2       | 00.4745   | - 500%     | 710.30     | 130.71   |  |
| 100 0 2000                    | 2 5.18 | 103.3690  | -,000            | 113.84   | 101.B1  | Trans 13/200 2004-17. A        | 2.53 | 4,39 | 141 6092 | +9478         | 147.95           | 133.48 | 3134 m2 %                                    | 1.97       | 2.02 1       | 81 328D   | - 5670     | 102 %      | 1/2/19   |  |
| OT N SEC 2011                 | 21/    | 108 2120  | - 000            | man on . | 100 6   | Town Company                   | ~~   |      |          |               | _                |        |  | 101        | 784 1        | 70 GHA    | - 5000     | 100.00     | 100.00   |  |
|                               |        |           |                  |          |         |                                |      |      |          |               |                  |        |  |            |              | 100000    |            | (arrist    | (4EB)    |  |
| res êpc 2000                  | 8 4.87 | 105.5567  | +.0322           | ((6.7)   | 1102.22 | Time 54 pt 2000                | 507  | 4.20 | 113.4455 | ± (19734)     | 113.60           | 00.30  |  |            |              |           |            |            |          |  |
| 200 TOW 2001 0 A              |        | 110 00 10 |                  |          |         | LONGS BALOR 2010               | 411  | 470  | 117 79H  | - 64.49       | -17 00           | ~~     |  |            |              |           |            |            |          |  |
| one 9 2021 4.5                | 0 50es | 10 5791m  | 100              | 110.00   | 107.11  | Conv Roc (n 2011               | R 27 | 144  | A Samuel | -0795         | 124 00           | 90,00  | Prospective and anderspin                    | ر بھي ا    | بإمم ه       |           | ich of (11 | Sh and     | Ø 3%     |  |
| 800 9 %pc 2001 \$ 8.79        | 5 5 64 | 111 4113  | 177%             | 111 87   | 102.53  | Tomor Date 2012                | 647  | 40   | 145 8402 | -TALES        | ******           | 124.22 | On Library in Leasung-1969                   | <b>307</b> | RP( 100      | e to take | 409 06 8   | -          | arter to |  |
|                               |        |           |                  |          |         |                                |      |      |          |               |                  |        |  |            |              |           |            |            |          |  |
| nes 7pc 2001                  | 7 834  | 100.2190  | -01911<br>-01911 | Trui da  | 160.61  | *                              | 4.90 | 4.13 | 110472   | +.0019        | 111.12           | 93.97  | 1967, CONSISSON DESCRIPT                     | JAMO. R    |              | pd 1996   | : 162.5 a  | poi for No |          |  |
| nch 12ps 1999-2               | 3 4 B3 | 115 8510  | - MS3            | 116 95   | 110.00  | 11862 dpc 2013                 | 201  | 4.47 | 137.7745 | <b>- 1077</b> | 1第17             | 116.69 | 1890: 164A.                                  |            |              |           |            |            |          |  |
| Teas 7pc 200265               | 1 459  | 107.5310  | +0408            | 107.63   | 181.42  | 100m 74pc 2013-15_             | 3.0  | 410  | III A    | 1489          | 12241            | 112.74 |  |            |              |           |            | -          |          |  |
| oor 92-oc 2002 A 8.2          |        |           |                  |          |         |                                |      |      |          |               |                  |        | A  |            |              |           |            |            |          |  |

| 90c2002   | 89 116.7330<br>24 445.00x0                         | +.0353 | 116.95           | 117.19           | Trees Sept 2015 5.  | <b>81 441</b>      | 142,5354                             | -2479          | 142.90           | 118.07          | OMER LINES HIRE   | USL                |                            |        |                        |      |
|---|--|--------|------------------|------------------|---|--------------------|--------------------------------------|----------------|------------------|-----------------|---|--------------------|----------------------------|--------|------------------------|------|
| v 94pc 2003   | 74 119, <u>538</u> 0<br>97 113,9819<br>53 122 7835 | +0177  | 119.75           | 112.78<br>105.5% | Frees 8-Apr: 2017 5.<br>Earch 120e 2013-17 6.<br>Tream 8ac 2021 4 | 67 4.44<br>60 4.53 | 154,3099<br>  181,8381<br>  161,0779 | -3494<br>0785  | 154.81<br>182.30 | 17.57<br>155.93 | Notes.  | Yesta<br>Int. Pa   |                            | + 07 - | _ 52 t                 | iow  |
| r 134pc 2000-3 . ¥ 12.20  \$1   | 112/237  | -10029 | 116.77           | 112.14           | 7 mas 8pc 2028 4  | SS 42              | 128.78/1                             | - <i>1</i> 671 | 129.21           | 00.00           | Anian Dev 10 <sup>1</sup> 40c 2009<br>B'hann 11 <sup>1</sup> 40c 2012 | 7.37 5.<br>7.24 5. | 25 139 <u>5</u><br>48 1595 |        | 139 <u>3.</u><br>1583. |      |
| to Fiftner Years<br>is 6 lgar 2003 5.94 4:  | 35 109.3822  | +.0302 | 109.59           | HID.53           | Control 402 4   | Jn -               | 84.8533                              | -3674          | 85.EC            |                 | Leads 13 June 2006  | 618                | _ 449                      |        | 1504                   |      |
| H 6 lgnc 2003 5.94 A;<br>H 11 lgnc 2007 -4 10.15 5.4<br>H 10gc 20042 7.95 A;<br>Hone 2004 2 7.55 A; | 2 113.28%<br>3 125.79E                             | +0314  | 114.41<br>126.03 | 110.80           | COM 31-05 EL WE 3   | .421 -             | 74,1875                              | ~4031          | 72.08            | 25.09           | LCC 3nc 70 Ab   | 506                | - 59                       | -      |                        | 6    |
| ting 3/200 1999-4 . 3.55 2 2 at 8/200 2004  | 7 17 A 170   | -0134  | 12.00            | 90.17            | Construction on All   | .an -              | UT.1150                              | 0500           | 61 47            | 44.05           | Med. War. 3pc "6"   | 323 4              | 80 93                      | _      |                        | . 12 |
| Total address 64 184 848  |  |        |                  |                  |   | -                  | 32,1811                              | -3630          | 54.52            | 344             | 44cc L 2024   | - 3                | 15 1797                    |        | 1877                   | 182  |

9,000 189,2700 7,000 121,4900 4,000 101,2185 2.11 6,000 116,9884 3,01 4,000 101,3100 4.500 FEE BO 4.500 104,7000 8.000 108,5800 8.500 127,7500

3.46 -0.02 -0.08 4.02 - -0.13 +012 +015 +611 +617 +0.08 +1.71 +1.30 +0.14 +0.16 +0.20 -1.42 +0.47 EMERGING MARKET BONDS -0.11 -0.11 -0.11 -202 -0.44 +0.04 

73.8750 62.0000 80.1250 63.6750

8.57 13.46 8.26 10.26

109.16 105.18 +0.04 +0.04 Aller 119.20 119.16 -0.09 11 Jun 119.16 -0.09 1 \*LIFE Interes alone tracked on APT All Open Interess Rige. 7.42 8.90 7.79 +0.32 -0.11 -0.11 +0.23 -0.31 -0.65

71. E.

MKS III C. I

雅美多拉满石。 15 小人

### **CURRENCIES & MONEY** Flows call the shots in thin markets

#### MARKETS REPORT

Currencies were buffeted by decision, could give sterling a shove, they added. markets yesterday as liquid-

before losing most of its in London hours. gains later in the European

to a weak service sector business survey released yesterday in the UK, most # There was a sharp drop in market participants said it the euro against the dollar reflected a few large corpo- after the end of London trad-

news of the week which could really affect sterling would be an unexpected by the Bank of England, ana-

lysts said. With the money markets pricing in a 25 basis point cut, only a larger reduction, or a no-change

Tuesday's big mover, the ity continued to increase at dollar-yen rate, reversed Sterling had a superficially movement. The dollar made some of its sharp downward exciting day, rising early on two attempts to break up half against the dollar, and at the end of the Asian tradby a penny against the euro, ing session and one late on

The dollar closed in London at Y112.6, higher than But despite attempts by the previous day's close of some to link that movement Y111.6 but looking vulnerable to further falls.

rate orders going through a ing yesterday, as rumours The only fundamental POUND IN NEW YORK Jan 6 E spoi T mile 3 ceth 1 yr 1,6530 1,6315 1,6492 1,6470

circulated of settlement problems affecting European

The euro dropped over a cent against the dollar in a few minutes shortly after the end of the London session.

Yesterday was the first from the beginning of the week took place, and after by more than a cent and a towards the Y113 level, one the problems with the Target settlement system earlier in the week, the markets were alert to the possibility of problems in the clearing

Earlier, during European dealing hours, the cure continued to have a quiet and uneventful start as far as trading rather than settlement was concerned. The currency again took the dollar's lead against the yen, rising to Y132.0 on the day. Against the dollar itself it drifted down to close slightly lower at \$1.172.

Analysts said it was still far too early to draw any

Against the stollar (\$ par.5) The thinness in some

pairs, especially those involving the euro, meant that some traders might go through one currency to get to mother, he said. Someone with a sterling-euro trade to do might have to do it via Dec 1998 - Jan '99

the week.

against the dollar than did

from the behaviour of the implied by option prices, has www.cucroucy.

Steve Barrow, currency London, said that volume in the foreign exchange mar-kets had barely picked up from the beginning of the continually being surprised by how much prices are

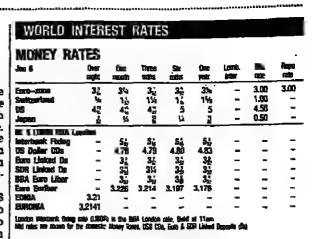
he said. "Some trades at burst out of the traps in the which the market would not new year, including the normally but an eyelid are Canadian dollar, Swedish now having quite an effect." krona and Norwegian krone.

Yesterday the Aussie rose against the dollar, closing in London at \$0.6292, up from around \$0.61 at the beginning of the year. Traders said that large US banks with strong links to

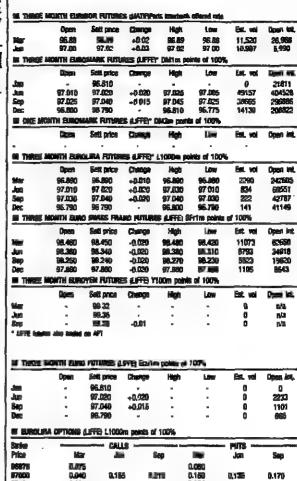
hedge funds were believed to sterling-dollar and dollar- have bought around A\$1bn yesterday, driving the cur-Mr Barrow said that as the rency higher. Stories also currency beds down, some of circulated that UBS might this volatility should decline. make a bid for Macquarie The expected volatility in Bank, one of the smaller the euro against the dollar Australian financial instituin the near future, as thous.

James McKay, global marfallen since the beginning of kets strategist at the Com-But in the longer term, Mr liz in London, said that the Barrow said he expected the rise in the Aussie could be euro to fluctuate more caused by the unwinding of a large short position in the CHITERCY.

"This may have been encouraged by the recent bounce in commodity the pick of a crop of second-







#### fundamental implications DOLLAR SPOT FORWARD AGAINST THE DOLLAR 11,7525 34,4356 8,4655 5,0755 5,5983 1,8955 277,100 1,4955 1,8514 7,4550 141,965 8,0212 1,5914 1,9951 1,1945 11.8675 34.2501 6.2501 5.35714 1.8612 391.275 1.4615 1.47716 7.4675 170.242 141.222 141.222 1.3785 1.3785 11.5146 30.755 8.2895 4.6725 5.6897 289.1 1.5724 180.28 31.756 184.724 182.23 7.650 1.550 1.550 1.550 1.550 1.550 34.390 8.3478 5.0855 5.5885 1.8805 1.4805 1646.83 34.396 1.877 7.488 170.803 141.754 7.9101 1.8748 1.1730 \$4.2900 8.3274 5.0775 1.8523 874.550 1.8414 34.2900 1.8716 7.3890 141.481 7.3890 1.5706 1.5706 1.5706 619998 1,2098 1,8127 8,7820 1,5142 7,7483 42,5200 7980,09 4,1003 112,698 8,8000 1,6600 5,7506 1,6600 5,7500 1,770,00 22,2100 35,5200 35,5200 35,5200 1,973 7,7465 42,4900 7850,00 4,0605 111,450 30,0500 3,7502 1,5545 5,5725 1154,00 30,1300 30,1300 112.136 4,8 47 1.8572 38.505 3.7564 1.8727 5.7307 1,8628 36,0885 3,7691 1,8649 6,636 -1.8 -8.1 -2.0 3.0 -10.0 1,8614 41,6636 2,8156 1,6385 8,285 -20 -48 -13 14 -113 1.1 -1.2

tempe Casch Riy Estenin Henginy Palant Romania Romania Bullete Calantia Cada Riy Cada Gustanaia Jeopaica Paus Vagany Vagany Vagany Vagany Vagany Vagany Vagany +0,1785 +0,2657 +8,345 +0,0055 +77.5 +0,4940 +0,1985 +0.0017 -4.105 -9.0665 +835.0 +2.7400 +0.4920 -0.55 -0.57 -0.29 +0.55 -11.12 -1.13 +4.85 +0.40 +0.40 +0.35 +0.00 +2.14 +0.05 -0.2045 +0.3065 -1.875 -0.6765 +95.0 -2.346 -0.4119 +0.00 -1.00 -1.01 +8.02 +10.27 +1.36 +1.0065 -1.575 -0.0895 +2450 +1.8400 -8.2880 213.699 3.4239 212.400 3.4400 5.5509 467.560 1538.59 271,420 23.200 6525.00 6,7001 37.0540 2652.59 3.1810 10.7750 585.500 -5.300 -11,00 +0.00 +0.1602 +0.1500 +7.160 +0.520 +0.520 +0.000 +2.55 +0.53 +1.65 +0.37 +0.37 4380 428 +0.46 8,2790 8,2765 952,886 3,4007 2395,30 82,000 9,2018 92,500 90,2019 90,2019 91,0057 31,7908 1,5730 13951,00 37,400 87,400 +0.3006 +0.49 +0.000 +0.49 +0.75 +0.45 +0.011 +0.13 +0.44 +0.7.50 +0.0015 -0.16 +0.200 +0.20 +1.2450 +4.06 +0.001 +0.00 +0.001 +0.00 +0.001 +0.00 +0.54 -0.0290 +0.0705 -2.56 +0.0705 +0.0500 +0.0500 +0.0011 +1360 -0.000 +0.000 +0.000 +0.000 +0.000 -0.000 +0 +0.05 +0.05 +0.05 +0.05 +0.07 +0.07 -0.05 -0.23 +0.24 +0.24 +9.0002 +0.0217 +3.5000 +1.0080 -0.0067 +5.500 +0.0001 -2.0 37.4000 \$7.2500

| Č  | Color of Color            |                 | AT. ' Dill and                      |                |                | e un con<br>pi litipaji | r gga er<br>ma <sub>e</sub> /Tan | -         | I ITE MOTE      |                |              | 74 <b>(111)</b> |                  |           |         |        |       |                |              |
|----|---------------------------|-----------------|-------------------------------------|----------------|----------------|-------------------------|----------------------------------|-----------|-----------------|----------------|--------------|-----------------|------------------|-----------|---------|--------|-------|----------------|--------------|
|    | CROS                      | SRI             | ATES AT                             | VO DE          | RIVA           | TIVE                    | S                                |           |                 |                |              |                 |                  |           |         |        |       |                |              |
|    | EXCHA                     | NGE             | CROSS                               | RATE           | es             |                         |                                  |           |                 |                |              |                 |                  |           |         |        |       |                |              |
|    | Jag                       | 6               | Dir                                 | Diff           | FFC            | DM                      | 崖                                | _ L       | H               | THE .          | B            | Pa              | 80br             | Aftr      | 2       | 66     |       | Y              | . €          |
|    | Belgium"                  | (BFr)           | 100                                 | 18.46          | 16.26          | 4.848                   | 1.05                             | 4800      | 5.463           | 21,61          | 497.0        | 412.6           | 23.01            | 4.007     | 1,754   | 4.386  | 2,905 | \$27.1         | 2.479        |
|    | Demonstr                  | (DKn            | 54.17                               | 10             | 8.808          | 2.626                   | 1,068                            | 2500      | 2.969           | 11,71          | 269.2        | 228.4           | 12.47            | 2.170     | 0.000   | 2.376  | 1.574 | 177.2          | 1,343        |
|    | France"                   | (FFI)           | 61.50                               | 11.35          | 10             | 2.002                   | 1,201                            | . 2962    | 3.380           | 18.29          | 305.6        | 251.7           | 14.15            | 2.464     | T.079   | 2.898  | 1.787 | 201.2          | 1.525        |
|    | Garrency"                 | (DMC)           | 20.63                               | 3.800          | 3.354          | 1                       | 0.403                            | 990.0     | 1.127           | 4.457          | 102.5        | 85.07           | 4.747            | 0.826     | 0.302   | 0.905  | 0     | 67.47          | 0.511        |
|    | irekend"                  | (E)             | 51.22                               | 9.458          | B.329          | 2.483                   | 1                                | 2489      | 2.798           | 11.07          | 254.6        | 211.3           | 11.79            | 2.062     | 0.896   | 2.247  | 1,486 | 167.5          | 1.270        |
|    | laky"                     | (4)             | 2.083                               | 0.385          | 0.339          | 0.101                   | 0.041                            |           | . 0.114         | 0.450          | 10.06        |                 | 0.479            | 0.083     | 0.037   | 0.091  | 0.061 | 6.815          | 0.002        |
|    | Neither leads             | (F)             | 18.31                               | 3.379          | 2.977          | 0.000                   | 0.357                            | 820.6     | 1               | 192            | 90.97        | 75.50           | 4.213            | 0.733     | 0.321   | 0.803  | 0.532 | 59.85          | 0.454        |
|    | Norwey'                   | (REC)           | 45.28                               | 8.543          | 7.625          | 2.244                   | 0.904                            | 2221      | 2.528           | 10             | 230.0        | 190.9           | 10.65            | 1.854     | 0.812   | 3.1300 | 1.345 | 151,4          | 1.147        |
|    | Paraugel"                 | (Es)            | 20.12                               | 2.715          | 3.272          | 0.976                   | 0.399                            | 965.8     | 1.000           | A.348<br>5.239 | 100          | 100             | 4.531<br>5.580   | 0.971     | 0.425   | 1.064  | 0.704 | 65.82<br>79.31 | 0.490        |
|    | South?                    | (Pizi)<br>(SKr) | 24.24<br>43.45                      | 4,476<br>8,021 | 3.942<br>7.066 | 1.175<br>2.707          | 0.848                            | 2066      | 2.374           | 9.362          | 250.0        | 179.2           | 10               | 1.741     | 0.762   | 1,906  | 1.262 | 142.1          | 1.077        |
|    | Sarecieri<br>Sarizzariand | (SM)            | 24.96                               | 4.807          | 4.091          | 1.210                   | 0.487                            | 1198      | 1.353           | 5 303          | 124.0        | 102.9           | 5.744            | 1         | 0.438   | 1.095  | 0.726 | 81.64          | 0.819        |
|    | CIK                       | (E)             | 67.01                               | 10.52          | 9.270          | 2.784                   | 1,113                            | 2736      | 3.114           | 12.32          | 283.3        | 236.1           | 13.12            | 2.284     | 1       | 2.501  | 1,866 | 186.5          | 1.413        |
|    | Canada                    | (CS)            | 22.80                               | 4.209          | 3.707          | 1.10                    | 0.445                            | 1004      | 1.245           | 4.926          | 113.3        | 94.03           | 5.247            | 0.813     | 0.460   | 1      | 0.682 | 74.57          | 0.986        |
|    | UŠA                       |                 | 34.42                               | 8.354          | 8.507          | 1,869                   | 0.672                            | 1862      | 1.880           | 7.438          | 171.1        | 142.0           | 7.921            | 1.379     | 0.604   | 1.510  | 1     | 112.6          | 0.1853       |
|    | Japan                     | (Y)             | 30.57                               | 2.042          | 4.971          | 1.482                   | 0.587                            | 1467      | 1.570           | 6.806          | 151.9        | 126.1           | 7.036            | 1.225     | 0.536   | 1.341  | 0.000 | 100            | 0.758        |
|    | Euro                      | (Euro)          | 40.84                               | 7,447          | 6.560          | 1,966                   | 0.788                            | 1986      | 2.204           | B.TTZ          | <b>300.5</b> | 106.4           | 9.284            | 1.616     | 0.798   | 1,770  | 1.172 | 172.0          | 1            |
|    |                           |                 |                                     | and Com        |                | n 45. Sai               | -                                | -         | Life and Pa     | nto nee 100    |              |                 |                  |           |         |        |       |                |              |
|    |                           |                 | s, Abrugion Sign<br>(Guarg 21st 12s | -              |                |                         |                                  |           | , 000 000 100   |                | PHIESE.      |                 | 125 (164)        | Yes 12.5s | per You | 100    | _     | _              |              |
|    |                           |                 | Later                               | Chance         | High           | ŀ                       | der .                            | ilit. voi | Coen int.       |                |              | Open            | Infant           | Change    | 190     | h i    | -     | Dt. 101        | Open 34.     |
| Ł  | iller                     | 0.5048          |                                     | -0.0036        | C-6D46         | _                       | 1007                             | 12.680    | 65,916          | Mar            |              | 0.9064          | 0.8976           | -0.010    | _       | 77 61  | 1035  | 17.3至          | 73.412       |
| 3  | <u></u>                   | 0.6052          |                                     | -0.0020        |                |                         | 10:22                            | 78        | 1,329           | Jap            |              | 0.0127          | A.90990          | -0.011    |         |        | 1069) | 40             | 4,016        |
| ř  | Sac                       | 0.8110          |                                     | -              | 0.6110         |                         | 110                              | 16        | 139             | Bap            |              | _               | 0.9298           | _         | _       |        | _     | 18             | 1,339        |
| ۴. |                           |                 | TURES (MAI) 1                       | S-1% (FF       | -              |                         |                                  |           |                 | <b>E</b> S     |              |                 | MAR 087.         | 2 vag 660 |         |        |       |                |              |
|    | A MARIN (A                |                 |                                     |                |                |                         |                                  |           |                 | - ==           |              |                 |                  |           | . 4.55  |        | -     |                | 44.000       |
|    | Minr                      | 0.7348          |                                     | -0.0053        | 0.734          |                         | 7298                             | 5,500     | 27,390          | Mer'           |              | 1.8514          | 1,6522<br>1,6500 | +6.000    |         |        | H/72  | 7,643          | 41,733       |
|    | Jun                       | -               | 0.7360                              | -0.0048        | A 72491        |                         | 7980                             |           | 289<br>127      | Jun            |              | -               | 1,6500           | +0.001    |         |        | _     | 71<br>200      | 1,218<br>220 |
|    | Sep                       | -               | 0.7485                              | -              | 0.748          | ,                       |                                  | 1         | and the same of | - Sale         |              | -               | 1 TOOK           | 40,001    | 6 1.00  |        | _     | 400            | 77.1         |
|    | DK IN                     | TER             | EST RA                              | TES            |                |                         |                                  |           |                 | EM             | IS EU        | ROPE            | AN C             | URRE      | NCY     | UNIT   | RAT   | ES             |              |

| Jan 6  | Over-<br>night  | 7 days<br>notice   | Comple<br>Macrosite  | Three   | Sac<br>months  | Jam.<br>Cue                           |
|--|---|--|--|---|--|---------------------------------------|
| Masterik Steffor   | 64 - 4  | 64 - 54  | 64 - 6<br>64 - 6%  | 해 - 제<br>레 - 제  | % - %<br>를 - 및   | 의 · 왕                                 |
| Sterling (20s<br>Transpry Bills  |   |  | 1 - 504  | 2 - E.  | 4 4  | * *                                   |
| ireasyry como<br>Sank 6861   | _   |  | 53 - 52  | 31-31   |  |                                       |
| ocal authority depa.   | 56 - 54   | 636 - 876  | 16 - M   | Ba - B  | 54 · 5%  | 5h - 5h                               |
| Marcaust Market 0000   | 8 - 516   | 6 - 5k   |  |   |  | -                                     |
| IX clearing bank base i  | ending rate 61  | ا ملأ مإل  | 1-3  | 3-6   | 5-6  | 9-12                                  |
| IX clearing bank bone i  | ecting rate 61  | ipercenti<br>Up lo 1<br>month  |  | 3-8<br>punts  | 5-6<br>months  | 9-12<br>months                        |
| Centre of Tax dec. (E)   | (000,000)   | Up No 1<br>month   | 1-3<br>month<br>6.5  | 3-8<br>munities<br>6.5  |  |                                       |
| Centre of Tax dep. (E)<br>arts of Tax dep. under £16   | (00,000)<br>00,000 in 4pc, 1  | Up to 1 month  4   | 1-3<br>Accordit<br>6.5   | 3-6<br>numbs<br>6.5<br>2pc  | 5.25   | 6.25                                  |
| Gertar of Tata deep. (E)<br>Tata of Tata dep. under £76<br>Ing. bonder nate of discount  | (00,000)<br>00,000 in 4pc. S<br>r so Dec 31. S.S  | Mp To 1 month  4 SS2pc 8090  | According 6.5 to case for case 50g Colores | 3-6<br>Franchs<br>6.5<br>2pc.<br>Expert Floor   | 5.25   | 6.25                                  |
| Gertas of Thir dep. (E)<br>Sertas of Tair dep. under E7<br>No. leader outre of discours<br>948. Agreed rate for parts<br>958. Agreed rate for parts<br>958 to Dec 37, 1998. Sei  | (00,000)<br>20,000 in 4pc. S<br>1 Jun 20, 1996<br>write N & Y (J  | ijo ko 1<br>pagniti<br>4<br>kupada wate<br>552pc. 8080<br>to Feb 28. 19<br>87pc. Financi               | ASSESSED FOR STATE OF | 3-6<br>Frantis<br>6.5<br>2pc.<br>Expert Plant<br>77/apc. Nate<br>Rate 7pc for 2                 | State of the second sec | 6.25                                  |
| Corts of Thir dop. (E<br>Corts of The dop. (E<br>Corts of The dop. (Index St<br>two, Index and of disease<br>1988, Agreed rate for parts<br>1988, Agreed rate for parts<br>1988 to Dec 37, 1988, Sel<br>W THIRES MONTH STE   | (00,000)<br>20,000 in 4pc. S<br>1 Jun 20, 1996<br>write N & Y (J  | ijo ko 1<br>pagniti<br>4<br>kupada wate<br>552pc. 8080<br>to Feb 28. 19<br>87pc. Financi               | ASSESSED FOR STATE OF | 3-6<br>Frantis<br>6.5<br>2pc.<br>Expert Plant<br>77/apc. Nate<br>Rate 7pc for 2                 | State of the second sec | 6.25                                  |
| UK clearing bank base in Carts of Tax disp. (E. Carts of Tax disp. (E. Carts of tax disp. (E. Carts of tax disp. d | (00,000)<br>00,000 in 4pc. 1<br>1 on Dac 31. 5.6<br>4 Jun 20, 1900<br>under N & Y (J<br>191,196; Pottur | ije in 1<br>month<br>4<br>hymath with<br>522yc. 8030<br>to Feb 28, 19<br>871 pc. Filmon<br>83 (LFFE) 8 | 1-3<br>toonph<br>8.5<br>seem for each<br>band rate Stop<br>68. Scharte W<br>Hazam Been<br>500,000 poi  | 3-8<br>promites<br>5.5<br>2pc. Depart Floor<br>7.74pc. Notes<br>Reta 7pc for 3<br>inter of 100% | FLOST<br>FLOST<br>SP. Males up a<br>proces state for<br>ten 1988.  | (0.25)<br>by Dec 31,<br>posted Dec 1. |

|   | oper -              |               |              |                |           |        | _      |
|---|---------------------|---------------|--------------|----------------|-----------|--------|--------|
| ***                                     | 94,430 9            | M.400         | -0.030       | 94,440         | 94.390    | 36101  | 186672 |
| 4.7                                     |                     | 4.790         | -0.020       | 94.810         | 94.770    | 25556  | 179236 |
| 7.3m                                    |                     |               | -0.030       | 94,990         | 94,900    | 22542  | 155324 |
| - Sep                                   |                     | M.910         |              |                |           | 12271  | 131438 |
| Dec                                     | 94.650 \$           | M.830         | -0.030       | 94.590         | 94.520    |        |        |
| No.                                     | 94,900 9            | 4.900         | -0.010       | <b>94.93</b> 0 | 94,898    | 3808   | 115442 |
|   | m all I all Does to | should find I | e tr su      | ing day.       |           |        |        |
| MANUAL COMMEN                           | STEPLENS OF IX      | MIS / INTER   | £300,000     | points of      | 190%      |        |        |
| Stant!                                  | SICIED OF IN        |               |              |                | 4.00      | - POII |        |
| Strike                                  |                     | — CHILL       |              |                |           |        |        |
| Price                                   | Marc                | an a          |              | SEP .          |           | Jan.   | Smp    |
|   | 200                 | 0.635         |              | ND7            | 0.005     | 0.095  | 6,140  |
| 90250                                   | 0.245               | دون,ن         | -            |                | 0.145     |        |        |
| 94375                                   | 9.170               |               |              |                | 0.220     | 0.188  | 0.210  |
| 94500                                   | 0.120               | 0.450         | - 40         | E20            |           | D. 100 |        |
| 94629                                   | 0.080               |               |              |                | 0.305     |        | 0.315  |
| 94750                                   | 0.050               | 0.380         | _ <b>0</b> . | 475            | 0.400     | 9.260  |        |
|   | 6.030               |               |              |                | 0.505     |        |        |
| 34875                                   | 0.032               |               |              |                | Se dans l | 415304 |        |
| F 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 | , Date 2000 Pull    | 2012 Lak      | alter and r  | -              | -         |        |        |
|   |                     |               |              |                |           |        |        |
|   |                     |               |              |                |           |        |        |
| _                                       |                     |               |              |                |           |        |        |
|   |                     |               |              |                |           |        |        |
|   |                     |               |              | _              |           |        |        |

|  | _  |   |   |  |  | _   |
|--|--|---|---|--|--|---|
|  | BA   | SE LE   | DING  | RAT  | ES   |   |
| Billed Intsh Basik (GB) Il-farny Ansbacher Iance State Viscasya Iank of Cyprus Iank of India Iank of India Iank of India Iank of Mid East Bloom Stopley & Co Lef Iddison St | 6.25<br>6.25<br>6.25<br>6.25<br>6.25<br>6.25<br>6.25<br>6.25 | Exister Trus Financial & Inductors Fi Habib Sani Haribite Sc. C. Hoans S. ueSG Humi Hangiang Investors Bi Julian Hob, eLeopid Ja- Lloyde Ban Addend Sc. NatiWestni e-Ran Brod Royal Bico Scottlish W. | Gen Benk<br>stating L Ck<br>& AG Zurich<br>Gen Inv El<br>Co<br>arce Bunk i<br>& Shanghe<br>ank (LIK) Li<br>pe Benk<br>keaph & Sone<br>k<br>nh<br>nncter<br>neter<br>(Scotland | 8.00<br>8.25<br>8.25<br>6.25<br>Thut<br>8.25<br>8.25<br>6.25<br>6.25<br>6.25<br>6.25<br>6.25<br>6.25<br>6.25 | Singer & Princilland Smith & Williamson Sun Bush TSB United Bank of Kusse Unity Trust Bank Pla Withdraway Labbus Yorkathre Bank Members of Lond Investment Banki Association | 6.2<br>6.2<br>6.2<br>6.2<br>6.2<br>6.2<br>6.2 |

|                 | Open         | aller 1    |        |         |              |          |        |           |
|-----------------|--------------|------------|--------|---------|--------------|----------|--------|-----------|
|                 |              |            | -      | _       | Filgit.      |          | 壁 喇    | Open Inc. |
| Ner             | <b>65.03</b> | 95.01      |        |         | 500          | 500      | 4,80   | 486,767   |
| Jan             | 95.CH        | 85.00      | _      |         | 5.06         | 65.0E    | 45,332 |           |
| Sep             | 95.60        | 95.86      | : -a   | 104 5   | 15,11        | 95.06    | 00,980 | 300,400   |
| a a resi        | MAT HE       | - FUT INC. |        | n pa 10 | 5            |          |        |           |
| iler .          | 95.72        | 95.70      | -6     | .05 9   | 5.72         | 95.71    | 30     | 2.129     |
| lan.            |              | 95.83      |        |         | 5.83         | _        | 2      | 83        |
|                 | d for an     | br main    |        |         |              |          |        |           |
| d Blackwar      | T III'I      |            | MILS - |         |              |          | nm -   | <u> </u>  |
| Strike<br>Price | 201          | Alb        | 36     | Jan.    |              | Faib     |        | -         |
| 16875           | 0.836        | 0.695      | 0.075  |         | <b>0.028</b> | 0.040    | 0.080  |           |
| 17900           | 0.010        | 0.825      | 8.040  | 0.10    | 0.120        |          | 0.150  | 0.135     |
| 17125           | WE           | 6.015      | 0,020  |         | 92.0         |          | 9.255  |           |
| 7250            | D            | 0.005      | 8.015  | 0.000   | 9.360        | 0.165    |        | 0.290     |
|                 |              |            |        |         | 14, 06       | CHEST SA | 990094 |           |

### **BP**Amoco



J.P. Morgan is pleased to announce the start of trading in the American Depositary Receipts (ADRs) of BP Amoco p.l.c. BP Amoco p.l.c. is the merger of The British Petroleum Company p.l.c. and Amoco Corporation.

BP Amoco p.l.c. ADRs now trade on the New York, Pacific, Chicago, and Toronto stock exchanges under the symbol BPA.

For more information on the new BP. Amoco p.Lc. ADRs, visit unun adr.com, J.P. Morgan's central source for timely worldwide ADR market intelligence and investor information.

www.adr.com

**JPMorgan** 

January 1999

© 1999 LP. Margan & Co. Incorporated. LP. Margan is the marketing name for LP. Margan & Co. Incorporated and for its subsidiaries worldwide. New York is a member of the FDIC. This quaterial has been approved for issue in the LX by MCT (London Branch) which is regulated by the SFA.

To the Heiders of Banco Central del Uruguay New Money Notes Due 2006

Open for business.

Home and Office Software. For more information please call: +44 171 873 3348 Fax: +44 171 873 4331

### PT Timah may smelt foreign ore

Expectations Indonesian tin output will be ence in smelting on commisflat this year are prompting sion and in dealing with PT Timah, south-east Asia's biggest tin miner and der its efforts. Malaysia smelter, to consider smelting Smelting and Thaisarco rely foreign ore. The state-owned on foreign ore, which is company currently smelts mostly low to medium grade.

Timah's production this year is expected to remain little changed from last year's 41,000 tonnes. Output has fallen from the 1997 level of 51,000 tonnes as it concentrates on mining lower grade ore to conserve high-grade sites, a move made possible by the devaluation of the Indonesian currency.

in rupiah terms to Rp39,000 (\$5) a kilogram because of the weak rupiah, enabling h's net profits to soar by 350 per cent year-on-year to Rp100bn in January to September 1998. Almost all Indonesia's tin is exported.

A Timah official, who says smelting foreign ore is "a possibility", declined to say from where it might source supplies. Malaysian experts said Timah might seek supplies from Australia. It owns part of the 13,000 tonne-ayear Kobatin smelter controlled by Australia's Renison Bell, Kobatin, located in the vital Indonesian mining area of Bangka island, produces about 10,000 tonnes of

tin a year from local ore. Bangka is capable of dealing with 50,000 tonnes of metal a year, but produces about 80 per cent of that.

any moves by Timah to smelt foreign ore would Corporation and Thailand Smelting and Refining Com-

region's other smelter although Malaysian experts that said Timah's lack of experi-"dirty" foreign ore could him-

> Timah has been smelting mostly good grade material. Malaysia Smelting, with production capacity of 26,000 tonnes of metal a year, gets its supplies mainly from Peru. Australia and Portugal. It also smelts all of Malaysia's output, which is likely to increase slightly to 6,000 tonnes this year.

The company is smelting at close to capacity and relies on its 110-year history to secure contracts.

Supply is tight, partly because Russia and China have not been sending much to the region for smelting. Also, Australian output has been flat at about 10,000 tonnes a year. Thai miners. attempting to increase output from 1,000 tonnes a year, have had problems getting funding from bankers.

Thaisarco, located on Thailand's Phuket island, is running at "near to capacity", says an official at Escoy group in Malaysia, Escoy and Amalgamated Metal Corporation of the UK are the new owners of the plant.

The refurbished plant is capable of producing about Timah's smelting plant in 15,000 tonnes of metal a year. its materials come mainly from South America, Portugal and Australia. The number of smelters

Because of tight supply, has fallen to three after Escoy shut its 100-year-old plant on the Malaysian island of Penang in early 1998 partly on environmenta grounds and partly because pany (Thaisarco), the of lack of labour.

Precious Metals continued

M GOLD COMEX (100 Troy cz.; 3/roy cz.)

### Outlook improves for Pakistan wheat of Oil prices

The outlook for Pakistan's wheat crop has improved with the arrival of the first widespread rains across the Punjab province after an unusually long two-month dry spell.

for wheat, falling when the water level in dams and reservoirs is low, and farmers depend on rains to irrigate their fields.

Winter rains are important

Officials with the provinhave reported rainfall across wheat crop is grown.

The agriculture ministry in Islamabad has set a production target of 19m tonnes this year for the country, up alightly on last year's production of 18.7m tonnes.

The size of this year's crop has added significance for Pakistan, Faced with economic problems after the west introduced economic a crucial time, some experts national output insignifisanctions because of its say part of the crop may nuclear tests, the country cial government in Lahore has tried to narrow its inter-

nutional trade deficit. Part of

especially wheat, to save pre- mad, one of the country's to last year's "would be very clous foreign exchange.

Although exact estimates are still unclear, businessmen and officials say Pakistan may import between in the next 12 months to meet domestic demand.

While the rainfall is expected to irrigate wheat fields at already have been damaged.

"Some damage to the crop, especially in the 'barani'

most respected agricultural good". scientists. "But in canal-irri-

gated areas, where most of the crop is grown, the rains would mitigate the effects of the drought." Officials said only 10 per cent of the crop is grown in the "barani" areas, which

makes their impact on the Mr Muhammad, however,

said that although it was still too early to assess the

much of the province, where that effort has gone towards almost 80 per cent of the cutting commodity imposts. ible," said Ameer Muhamachieving an output similar wheat even is commodity imposts.

Officials say the crop needs at least 5mm of rain next week, and between 10mm and 30mm in the next few months, to meet needs.

In spite of the latest relief, experts say Pakistan's wheat crop suffers from a range of structural problems, such as delay in sowing, inefficient cultivation methods and poor compliance with recom-

### Ray of hope for Kenya in tea

In a country where good news is scarce the year's first tea sales in Mombasa have seen encouraging results, says Mark Turner

tion at Mombasa is anything to go by. Kenya's tea sector may justifiably feel rather pleased with itself. Strong demand from Egypt, Pakistan and the UK pushed prices up by 5 to 20 US cents a kilo from December - an unexpected boon following a year when production exceeded all expecta-

tions, although slightly below similar prices at the beginning of last year. Heavy rains due to the El Niño weather pattern helped Kenva's estates and smallholders reap 290m or more tonnes of processed tea in 1996, well above predictions of 290m to 285m tonnes.

Tea brokers say the rela-tively small price differential between best and lower medium grades tea last week with a concerting of only about 30 cents for Pekoe Fannings 1 grade tea indicating less discrimination among buyers - points to a year of strong demand shead. If the sharp decline in Kenyan T-bill rates precipitates a decline in the shifling, as some analysis expect, producers can expect

"1999 is going to be an excellent year for Kenyan and East African tea," said

GRAINS AND OIL SEEDS

MERT LESS (10) loans E per la comp

even higher profits.

If the year's first tea auc- Norman Wilson from Africa, cent of the country's produc-Tea Brokers in Mombasa. In a country where good

news is scarce, the results provide a much peeded ray of hope for the Kenyan economy. Over the past five years, the country has surpassed Sri Lanka as the world's premier exporter, and now finds itself in the enviable position of largely determining world prices.

That is why analysts are

not overly concerned at the prospect this year of a threemonth drought, from December to early March, which is likely to hit production but (assuming Sri Lanka and other competitors do not post much larger results) raise prices. In 1997, a severe drought led to a production deficit of almost 15 per cent, but prices rose by about 50 per cent, more than offsetting the shortfall.
"If the rains fail in March,

the crop will fall away fast. Then we will have another mini-boom," said Mr Wilson. ironically, the good news comes when the Kenyan tea sector is unsettled, as the country liberalises its smallholder sector.

For a long time, the development, processing and marketing of smallholder tea, which accounts for 66 per

tion, was dominated by the parastatal Kenya Tea Development Authority - an opaque organisation influenced by high-level politics.

Over the past few months,

however, smallbolders have been granted an increasing degree of control over their businesses, and are beginning to demand these changes be put into practice. Notably, they are calling for more say in the runnin of their factories - which they now mostly own - and are beginning to explore the possibility of taking market-

ing into their own hands. wen the potential for Corruption that the KTDA used to offer Kenya's power-brokers, the change is, on the surface. welcome and may improve

efficiency. However, brokers and tea analysts are worried that, in practice, people who are very good at growing tes will find marketing an altogether different prospect. If control is taken away from future, are waiting before the KTDA - which pays farmers 70 per cent of the sale price - private buyers may begin to approach farmers directly, bypassing the



Armed with a sophisticated appreciation of world markets, and aided by a decline of prices that less competition in Mombasa could precipitate, unscrupu-lous dealers might pay below the real value, and farmers could be short-changed.

The changes have also romnted uncertainty about KTDA plans to build another eight factories, to help create processing capacity of 300m tonnes a year by early next decade. Financiers such as the CDC, facing an unclear committing themselves.

Mulinge Mukumbu, a Kenyan agricultural economist who specialises in tea, adds that Kenya faces another big challenge. The increase in

Meat and Livestock

IN LINE CATTLE CME (40,000ths; cambiba)

production has coincided with market stagnation or decline in Kenya's three main purchasers, the UK, Egypt and Pakistan, which account for more than 80 per cent of exports. As countries such as

Uganda and South Africa start to push for the same markets, Kenya will need to diversify its export base.

"Since the 1960s, Kenya has focused on increasing production," said Mr Mulinge, a task at which the KTDA was successful. "But we should now focus our attention on marketing, to Sudan, Somalia, the Middle East and even Russia, which will be looking for new suppliers as India's internal con-

### big fall in US stocks

MARKETS REPORT By Robert Corzine, Gillian O'Connor and Paul Solman

crude stocks in the US in the week to January 1. Brent Blend for February delivery was up 24 cents to \$10.77 a barrel in late trading on London's International Petroleum Exchange.

For months the markets have been seeking evidence. that surplus world crude stocks are beginning to fall, especially in the US, the

world's biggest oil market. American Petroleum institute figures showed stocks were drawn down by more than 14m barrels over the week, although inventory

levels remain high. It was the turn of tin to touch a new five-year low on the London Metal Exchange.

dropped below \$5,000 a tonne. Traders said funds. which have hitherto concentrated on selling down metals, finally turned their attention to tin. Analysts who base their decisions on chart movements argue that the price could fall to \$4,500 a tonne-

before it finds a new support level. The rise in stocks over the past two days provided investors who concentrate on fundamentals with another reason for gloom. The price picked up from its \$4,960 low to close at \$5,025. On the bullion market, sil-

ver closed almost 5 per cent. higher at \$5.15 an ounce, after hitting the \$5.22 target set by technical analysts. Platinum closed up nearly 8 per cent at \$360 an ounce.

March cocoa futures closed 24 higher at £911 a tonne on the London International Financial Futures and Options Exchange. March robusta coffee fell

after a bout of selling to end down \$75 at \$1.747 a tonne.

3200 \$E 7

12.3

31.0

The Barrier was

Die with

图图: A. Carlotte 1282 91.24

#### COMMODITIES PRICES BASE METALS

| LONDON MET/<br>Prose from Analysis<br>M Alexandra, MA | cuted Matel Trade      | ngi                             |
|---|------------------------|---------------------------------|
|   | Card                   | 3 miles                         |
| Close<br>Previous<br>High-low                         | 1234-25<br>1212.5-13.5 | 1226-30<br>1220-21<br>1230/1218 |
| AAT Official<br>Xarts cigae                           | 1216.5-17              | 1223-23                         |
| Open ict.   | 303,469<br>96,767      |                                 |
| Total daily turning:                                  |                        |                                 |
|   |                        |                                 |
| Cicae<br>Previous                                     | 1620-25<br>1015-20     | 1050-83<br>1045-50              |
| High/few  | i Wilangu              | 1056/1085                       |
| AM. Ottobal<br>Restrictions                           | 1025-30                | 1050-52<br>1050-55              |
| Open int.   | 6,970<br>1,183         |                                 |
| Total daily torogram                                  | 1,165                  |                                 |
|   |                        |                                 |
| Close<br>Previous                                     | 480-81<br>474.5-8.5    | 485-6<br>461-2                  |
| Highritow   | 414.9-00               | 486/461                         |
| MAT COTTESS<br>North clayer                           | 475.5-8                | 462.5-3<br>465-8                |
| Open int.   | 37,596                 |                                 |
| Total day brower                                      | 8,376                  |                                 |
|   |                        |                                 |
| Cione<br>Previous                                     | 3870-80<br>3910-30     | 3940-50<br>2980-55              |
| High/low  | 9316-76                | 3800/3940                       |
| AM COScial  | 3680-65                | 3950-60                         |
| Com ast.  | 65.63                  | 3945-50                         |
| Total daily turtover                                  | 14,054                 |                                 |
| IN THE RESERVE  |                        |                                 |
| Close   | 5015-25                | 5010-15                         |
| Presous   | 5010-20                | 5010-15                         |
| High Tow<br>AM Criscal<br>Mint close                  | 4995-5000              | 5040/4980<br>4985-90<br>5020-25 |
| Spen est.   | 29,723                 | Option Co.                      |
| Total daily All-Town                                  | 12,695                 |                                 |
| ili 2005, special high                                | products per tom       | 201                             |
| Cities  | P14,5-15.5             | 932-32.5                        |
| Previous<br>High Year                                 | 894 G-900.5            | 917-7.5<br>932/922              |
| AM Official<br>Reft close                             | 902-3                  | 922-3<br>931-7                  |
| Open ont.<br>Total duly turnown                       | 90,182<br>33,577       | -                               |
|   |                        |                                 |

1425 5-6.5 1407-07.5 LINE Closing E/S rate: 1,6565 Sect. 1550 3 more. 15513 5 mate: 1 6463 9 wate: 14467

STATE AND A STATE OF STREET

64 55 +0 65 64.65 63.70 287 1,882 64 90 +0 65 65.05 64.10 94 2,552 65.30 +0.80 85.50 64.80 65.75 +0.60 65.15 64.70 66.15 +0.55 66.30 65.60 66.10 +0.55 65.80 65.80

PRECIOUS METALS क्र १६ का ब 257.70-258.90 26.70-267.00 Lines Life Man Sold Landing Rates (Vs USS)

M SATORIAL HELD FE (1,000 Sense pers se sense 10.400 +0.150 10.400 10.270 155 6565 9.700 +0.170 9.708 9.508 190 5.665 1,660 17,716 Lithest Day's price change High Low Ver int 1920 -0.055 2.010 1.905 23.863 49.210 1.920 -0.056 2.000 1.905 8.515 28.287 1.910 -0.041 1.975 1.985 5.169 20.929 1.930 -0.802 1.930 1.9

NYMEX (42,000 US galls., c/US galls.) 36.75 +0.41 38.90 38.45 13,107 34.275 37.95 +0.42 38.05 37.70 2.874 12.306 40.91 +0.34 11.55 40.85 521 14.439 41.80 +0.24 42.05 41.80 96 12.350 42.55 40.25 42.55 427 9.894

+0.7 288.9 287.4 24,740 78,170 +0.8 291.0 289.8 890 22,235 +0.8 231.0 282.2 825 18,22 +0.8 231.0 282.2 825 18,22 +0.8 285.0 285.0 100 2,544 +0.8 286.5 287.8 223 12,683 77.75 -0.66 78.36 77.76 78.35 -1.15 79.25 78.50 SI PLATINOM MYMEX (DO TROY CC.; STONY CC.) 358.6 -1,5 360.0 358.5 56 371 358.1 -1,5 366.0 357.1 1,578 9,510 368.5 -1,5 369.5 360.6 115 571 New 267.50 +7.25 258.00 280.00 9.865 71,112 New 267.75 +7.50 258.00 289.73 807 11,402 July 367.50 +7.00 308.00 302.50 1,072 28,172 330.50 +7.00 330.50 327.60 MAZE COT (5,000 by mar; contartion busing) 318.95 -9.90 339.00 315.20 245 2,867 316.85 -7.90 314.00 214.00 2 61 IE CHORE OF MYMEX (1,000 humais, Ethernal \$53.50 +4.25 \$58.50 \$50.00 \$1,750 13,167 \$54.50 +3.25 \$57.75 \$50.75 13,462 \$7,340 \$95.75 +2.75 \$62.50 \$57.50 \$1,015 \$20.468 \$65.00 +2.50 \$75.50 \$2.50 \$1,015 \$20.468 \$65.00 +2.50 \$75.50 \$2.50 \$42 \$5.75 \$66.00 +3.50 \$98.00 \$64.50 \$30.40 \$1,540 \$30.78 \$1,540 \$1,54 255 +025 2373 2352 2367 2322 235 +022 2395 2365 13,555 55,073 34,07 +022 24,00 2395 2,605 13,235 2422 +03.7 24,25 24,15 1,803 17,548 24,25 +031 24,37 24,25 900 4,602 24,32 +034 24,50 24,32 519 3,761 24,32 +034 24,50 24,32 519 3,761 24,32 +034 24,50 24,32 519 3,761 -0.3 145.0 142.2 4.810 13.892 -0.3 143.0 149.7 10.995 45.403 -0.5 144.8 142.7 2.221 10.107 -0.5 144.9 147.2 20.307 -0.5 148.9 147.2 303 4.833 -1.3 149.3 149.2 482 5.002

10.92 16.85 22.711 56,820 10.95 16.75 29,734 51,221 11.11 10.94 7.161 25,538 11.33 11.13 2.541 14,941 11.43 11.34 572 20,521 11.80 11.86 995 6.816 s4s 93.00 +0.75 99.50 93.00 12.291 28.665 100.75 +0.50 101.25 99.75 10.379 30.712 102.75 -1.05.00 101.75 2.231 14.756 101.75 -0.25 104.50 103.75 655 9.342 107.75 -0.25 104.50 105.00 277 4.864 PULP AND PAPER S PALPEX DALX (USA: 24 as day family Sell Day's 114

Nuts and seeds Prices from Kenkiso London S per m<sup>2</sup>. Insulan plasachies 26/ 30 raw (in shell) resturally opened (round); crop 1938: 28/30 at \$2,750, CFR MEP, 20/ 22 at \$3,550 CFR MEP. Turkish hazehou 13/15 and 11/13, crop 1998 indicatio \$4,250 CFR. Market unstable, no long-ter offers. Indiana coethewes crop 1999 CFR from top shappers. Wi320 at \$6.050, W240 at \$7,150. Market increasing. US atmends standard 5 per cent crop 1998 at \$3,750. 18/20 NPS at \$4.00 at FAS. Actual crop 480m fb, indication for crop 1999 at 3,389 FAS for \$1.5 per cent. Moldovian wahards crop 1998 offered as 86th halves and oleges at \$3,650 CFR MEP feloty mold.

1396 1373 7,392 35,180 1416 1397 1,363 18,179 1436 1420 246 6,813 1478 117,50 -1,50 120,25 117,1010,682 25,595 117,75 -1,25 119,50 117,25 1,681 6,084 118,25 -1,25 120,00 118,25 113 2,518 118,85 -1,05 120,25 118,85 44 1,816 119,00 -0,80 118,70 119,40 25 927 104.33 191.53 IN WATE SUGAR LIFTE (IN Names, \$700 +8.2 254.0 251.0 2507 17.518 -2.3 254.0 251.5 1,162 9,763 -0.3 256.4 267.4 226 5,490 -0.2 244.0 201.5 90 4,690 +0.0 233.5 238.5 - 594 +2.0 207.5 237.5 - 554 -4.0 207.5 237.5 - 554 8.5464,112 82,745 8.45 8,429 25,977 8.26 2,582 23,987 8.44 989 17,024 8.70 188 9,885 8.75 14 2,127 8.75 +0.05 8.57 +0.04 8.38 +0.04 8.50 +0.05 8.78 +0.00 8.81 +0.43 8.79 6.61 1.53 1.53 98.97 -0.28 60.45 99.75 7,698 35.958 61.97 -0.20 67.00 67.90 1,244 76,249 61.97 -4.22 52.55 61.75 1,126 72,244 63.10 -4.23 62.30 61.52 7 1,522 54.55 -0.19 64.20 62.5 87.7 22,244 65.79 -4.10 65.80 65.75 1,27 1,171 -101.20 97.80 - 200 -2.90 101.60 98.10 2.208 16.270 -2.20 101.00 07.00 25 3.290 -2.70 105.40 103.25 17 2.130

-2.70 std.50 std.50 Open Interest and Values data shapen for electrical tracked on CORES, NYMEX, COT, NYCE, CAE, COCE and PE Create UP are one day for arrayers, Volume 8 Own Interest Additional Confession of the Comment o Last (CS tred) INDICES Copposit Cit grissis Poles Cit Gladuly of Coppos (P186) Sopologous (US) Ibm 5 133.58 Jan 4 134.76 Sopetiment (US) Custom Custople(1) Index Wandistre (Sile Super)

82.175 +1.500 82.175 81.250 8.869 44.337 86.200 +1.275 85.425 84.180 3.774 32.307 64.725 +0.975 85.000 54.000 1.729 18.338 84.725 +0.400 84.925 84.180 441 10.78 84.480 +0.975 86.700 85.600 174 5.336 67.480 +0.800 86.080 87.080 80 1,957

LUMBON TRADED OPTIONS 1966 187 70 1153

LONDON SPOT MARKETS

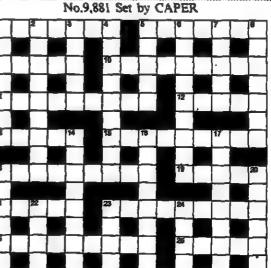
\$123-125 10,410 71 At 45.00c 18.20r 245.5 88.59p 89.79p 44.47p Unq £109.00 Unq 46.50p 46.50p 255.50m

19 Sells whips (5) beginning of day (?)

JOTTER PAD

For solutions to today's crossword call 0881 430060. Calls cost 50p a minute.

#### CROSSWORD



ACROSS. 1 Type of arrest that could be fatal for one not on the

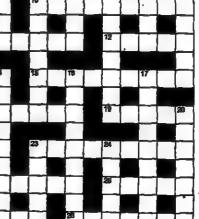
5 insects appear in place that's hollow (7)
9 Shelf contains financial Type of painting featuring small car by a river (9)
11 Big shots retain youth after

firm praises (9)
12 it's responsible for inflation in the bread making business (5) 15 Stars with city lawyer (9) 18 Pleasure-seekers are dishonest, sadly (9)

21 We count on them to be asleep (5)
23 Carry weapon around that's bloody, perhaps (5,4) Dancing porn model is a aweety (5A) 27 Spare book (7) Last Sunday many joints were unusually sore at

I We hear they trade stocks of Wine (7) being overdrawn (9)

likes of Morecambe and



advances (5)

(5.4) 7 Girl with sex appeal make you hot and sweaty 8 Images found in mottled

carpels? (7)

14 Cricketer, perhaps, can initially be a benefit to cooks. might kill a dog (9)

16 Paint's something that 17 I'm one involved with cost 18 Swindler hurtles out of con-

trol (7) 20 Given a number (7) 22 in US, heads of entertainment make many young stars happy with these (5)
23 Drive Golf in stable (5) 24 Graduate leaves pudding

for a dance (5) Solution 9,880 EOWLER IWOFACEUR ROY WE ROWN BO WE ROWN RESERVED TO THE RESERVED R

Wheat Oil prig firm on his fally

I Tilgs -

**AND OVERSEAS** BERMUDA

(REGULATED)(\*\*)

**CAYMAN ISLANDS** 

**GUERNSEY** 

Get on a JAL flight to Japan, and end up somewhere in Europe.

Japan Airlines are offering double bonus rules on flights from

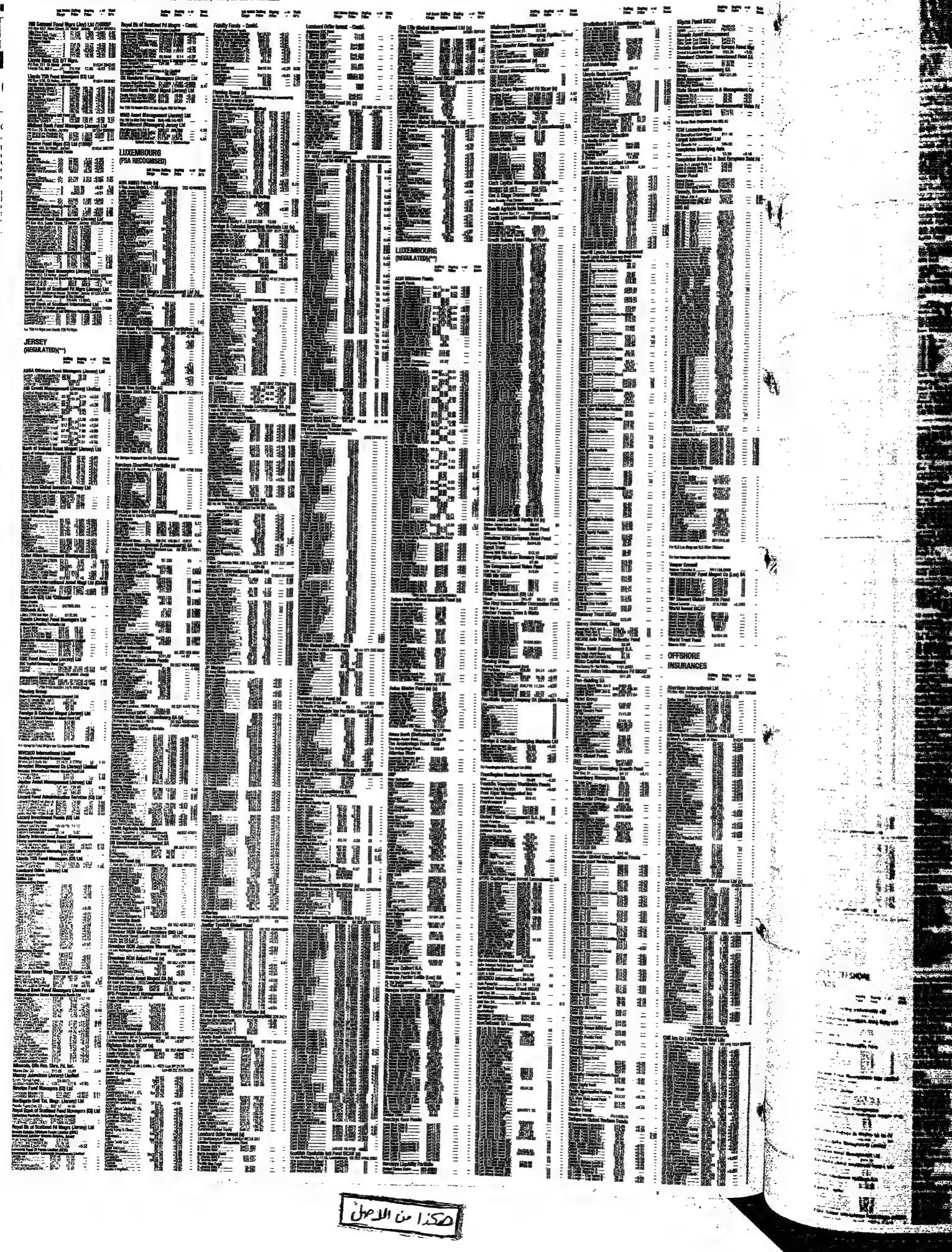
A BETTER APPROACH TO BUSINESS

| Et den Doweh Nov | T | 407 | 407 | 407 | 407 | 407 | 407 | 407 | 407 | 407 | 407 | 407 | 407 | 407 | 407 | 407 | 407 | 407 | 407 | 407 | 407 | 407 | 407 | 407 | 407 | 407 | 407 | 407 | 407 | 407 | 407 | 407 | 407 | 407 | 407 | 407 | 407 | 407 | 407 | 407 | 407 | 407 | 407 | 407 | 407 | 407 | 407 | 407 | 407 | 407 | 407 | 407 | 407 | 407 | 407 | 407 | 407 | 407 | 407 | 407 | 407 | 407 | 407 | 407 | 407 | 407 | 407 | 407 | 407 | 407 | 407 | 407 | 407 | 407 | 407 | 407 | 407 | 407 | 407 | 407 | 407 | 407 | 407 | 407 | 407 | 407 | 407 | 407 | 407 | 407 | 407 | 407 | 407 | 407 | 407 | 407 | 407 | 407 | 407 | 407 | 407 | 407 | 407 | 407 | 407 | 407 | 407 | 407 | 407 | 407 | 407 | 407 | 407 | 407 | 407 | 407 | 407 | 407 | 407 | 407 | 407 | 407 | 407 | 407 | 407 | 407 | 407 | 407 | 407 | 407 | 407 | 407 | 407 | 407 | 407 | 407 | 407 | 407 | 407 | 407 | 407 | 407 | 407 | 407 | 407 | 407 | 407 | 407 | 407 | 407 | 407 | 407 | 407 | 407 | 407 | 407 | 407 | 407 | 407 | 407 | 407 | 407 | 407 | 407 | 407 | 407 | 407 | 407 | 407 | 407 | 407 | 407 | 407 | 407 | 407 | 407 | 407 | 407 | 407 | 407 | 407 | 407 | 407 | 407 | 407 | 407 | 407 | 407 | 407 | 407 | 407 | 407 | 407 | 407 | 407 | 407 | 407 | 407 | 407 | 407 | 407 | 407 | 407 | 407 | 407 | 407 | 407 | 407 | 407 | 407 | 407 | 407 | 407 | 407 | 407 | 407 | 407 | 407 | 407 | 407 | 407 | 407 | 407 | 407 | 407 | 407 | 407 | 407 | 407 | 407 | 407 | 407 | 407 | 407 | 407 | 407 | 407 | 407 | 407 | 407 | 407 | 407 | 407 | 407 | 407 | 407 | 407 | 407 | 407 | 407 | 407 | 407 | 407 | 407 | 407 | 407 | 407 | 407 | 407 | 407 | 407 | 407 | 407 | 407 | 407 | 407 | 407 | 407 | 407 | 407 | 407 | 407 | 407 | 407 | 407 | 407 | 407 | 407 | 407 | 407 | 407 | 407 | 407 | 407 | 407 | 407 | 407 | 407 | 407 | 407 | 407 | 407 | 407 | 407 | 407 | 407 | 407 | 407 | 407 | 407 | 407 | 407 | 407 | 407 | 407 | 407 | 407 | 407 | 407 | 407 | 407 | 407 | 407 | 407 | 407 | 407 | 407 | 407 | 407 | 407 | 407 | 407 | 407 | 407 | 407 | 407 | 407 | 407 | 407 | 407 | 407 | 407 | 407 | 407 | 407 | 407 | 407 | 407 |

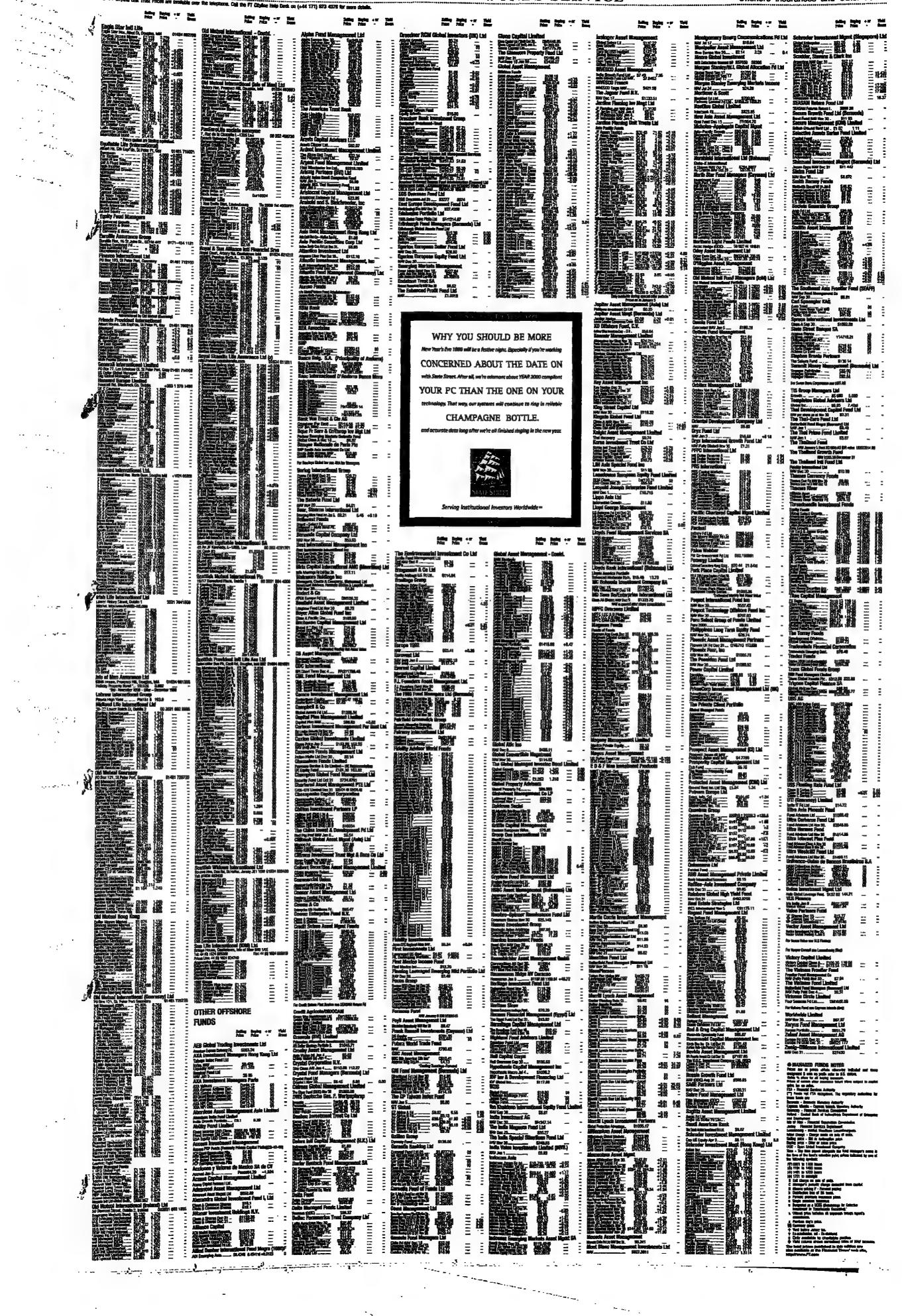
LINOS 480

8571.02 +4A.07

will Lynch Mersury least Unpidity Puls Pic int IS Date Army the \$100.20 of the State of



مكذا من الاعل



のでは、100mのでは、

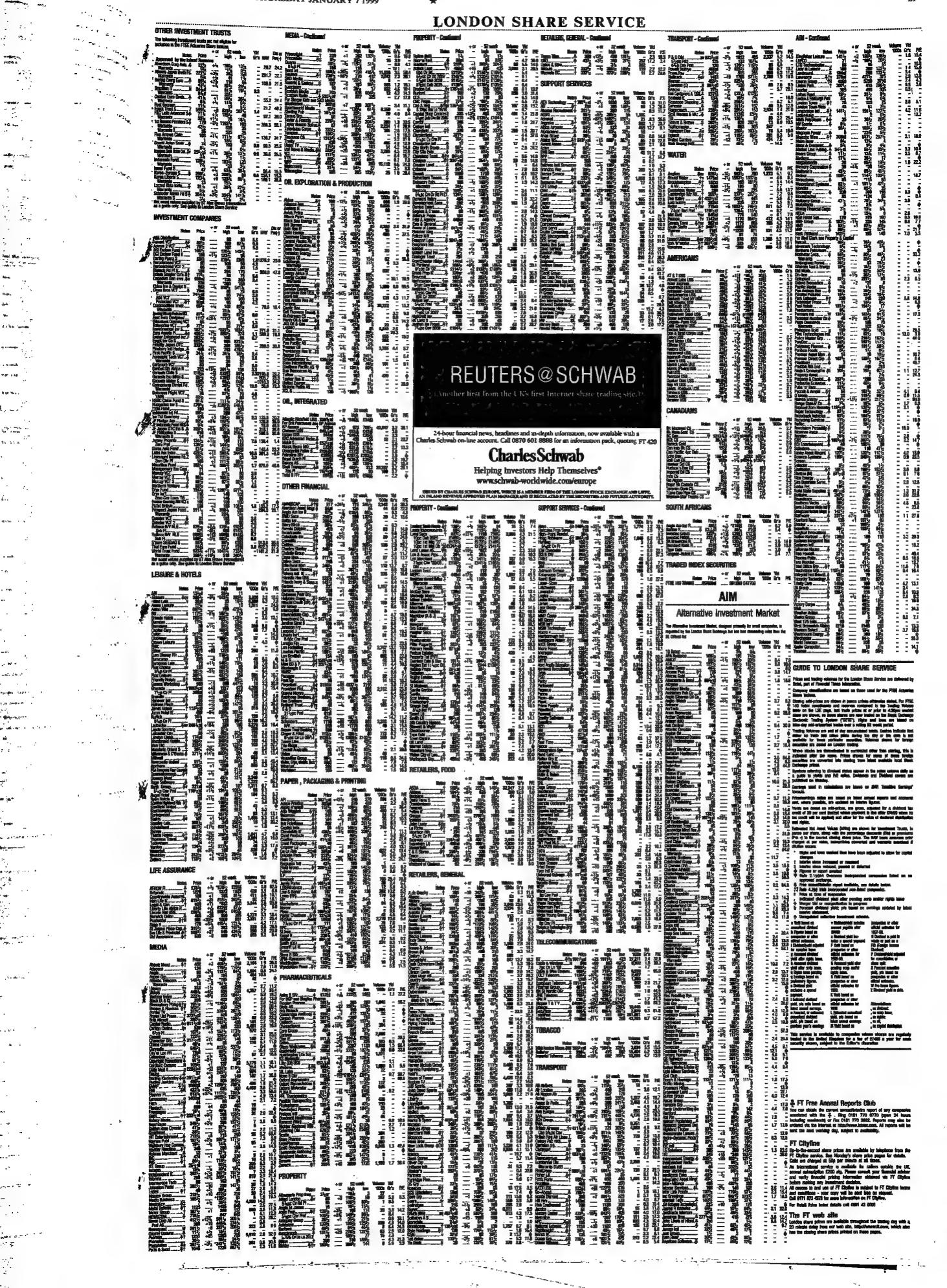
28

CONSTRUCTION - Continued Financial Times Surveys Northern Ireland のでは、 Thursday April 1 For further information please contact: Charles Blandford Tel: +353 1 676 1184 Fax: +353 1 676 2125 873 4356 Fax: +44 171 873 4862 BUILDING MATS. & MERCHANTS Line Control C ENGINEERING, VEHICLES checken | 200 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 10 TO SHE WAS A SHORT OF THE PROPERTY OF THE PROP Wanter No. 1944

1020 | 1040 | 1040 | 1040 | 1040 | 1040 | 1040 | 1040 | 1040 | 1040 | 1040 | 1040 | 1040 | 1040 | 1040 | 1040 | 1040 | 1040 | 1040 | 1040 | 1040 | 1040 | 1040 | 1040 | 1040 | 1040 | 1040 | 1040 | 1040 | 1040 | 1040 | 1040 | 1040 | 1040 | 1040 | 1040 | 1040 | 1040 | 1040 | 1040 | 1040 | 1040 | 1040 | 1040 | 1040 | 1040 | 1040 | 1040 | 1040 | 1040 | 1040 | 1040 | 1040 | 1040 | 1040 | 1040 | 1040 | 1040 | 1040 | 1040 | 1040 | 1040 | 1040 | 1040 | 1040 | 1040 | 1040 | 1040 | 1040 | 1040 | 1040 | 1040 | 1040 | 1040 | 1040 | 1040 | 1040 | 1040 | 1040 | 1040 | 1040 | 1040 | 1040 | 1040 | 1040 | 1040 | 1040 | 1040 | 1040 | 1040 | 1040 | 1040 | 1040 | 1040 | 1040 | 1040 | 1040 | 1040 | 1040 | 1040 | 1040 | 1040 | 1040 | 1040 | 1040 | 1040 | 1040 | 1040 | 1040 | 1040 | 1040 | 1040 | 1040 | 1040 | 1040 | 1040 | 1040 | 1040 | 1040 | 1040 | 1040 | 1040 | 1040 | 1040 | 1040 | 1040 | 1040 | 1040 | 1040 | 1040 | 1040 | 1040 | 1040 | 1040 | 1040 | 1040 | 1040 | 1040 | 1040 | 1040 | 1040 | 1040 | 1040 | 1040 | 1040 | 1040 | 1040 | 1040 | 1040 | 1040 | 1040 | 1040 | 1040 | 1040 | 1040 | 1040 | 1040 | 1040 | 1040 | 1040 | 1040 | 1040 | 1040 | 1040 | 1040 | 1040 | 1040 | 1040 | 1040 | 1040 | 1040 | 1040 | 1040 | 1040 | 1040 | 1040 | 1040 | 1040 | 1040 | 1040 | 1040 | 1040 | 1040 | 1040 | 1040 | 1040 | 1040 | 1040 | 1040 | 1040 | 1040 | 1040 | 1040 | 1040 | 1040 | 1040 | 1040 | 1040 | 1040 | 1040 | 1040 | 1040 | 1040 | 1040 | 1040 | 1040 | 1040 | 1040 | 1040 | 1040 | 1040 | 1040 | 1040 | 1040 | 1040 | 1040 | 1040 | 1040 | 1040 | 1040 | 1040 | 1040 | 1040 | 1040 | 1040 | 1040 | 1040 | 1040 | 1040 | 1040 | 1040 | 1040 | 1040 | 1040 | 1040 | 1040 | 1040 | 1040 | 1040 | 1040 | 1040 | 1040 | 1040 | 1040 | 1040 | 1040 | 1040 | 1040 | 1040 | 1040 | 1040 | 1040 | 1040 | 1040 | 1040 | 1040 | 1040 | 1040 | 1040 | 1040 | 1040 | 1040 | 1040 | 1040 | 1040 | 1040 | 1040 | 1040 | 1040 | 1040 | 1040 | 1040 | 1040 | 1040 | 1040 | 1040 | 1040 | 1040 | 1040 | 1040 | 1040 | 1040 | 1040 | 1040 | 1040 | 1040 | 1040 | 1040 | 1040 | 1040 | | The content of the | According | According | According | According | According | According | According | According | According | According | According | According | According | According | According | According | According | According | According | According | According | According | According | According | According | According | According | According | According | According | According | According | According | According | According | According | According | According | According | According | According | According | According | According | According | According | According | According | According | According | According | According | According | According | According | According | According | According | According | According | According | According | According | According | According | According | According | According | According | According | According | According | According | According | According | According | According | According | According | According | According | According | According | According | According | According | According | According | According | According | According | According | According | According | According | According | According | According | According | According | According | According | According | According | According | According | According | According | According | According | According | According | According | According | According | According | According | According | According | According | According | According | According | According | According | According | According | According | According | According | According | According | According | According | According | According | According | According | According | According | According | According | According | According | According | According | According | According | According | According | According | According | According | According | According | According | According | According | According | According | According | According | According | According | According | According | According | According | According | According | Acco を受けている。 は、日本のでは **通りのような 1997年 19** 1971 -00
1971 -00
1971 -00
1971 -00
1971 -00
1971 -00
1971 -00
1971 -00
1971 -00
1971 -00
1971 -00
1971 -00
1971 -00
1971 -00
1971 -00
1971 -00
1971 -00
1971 -00
1971 -00
1971 -00
1971 -00
1971 -00
1971 -00
1971 -00
1971 -00
1971 -00
1971 -00
1971 -00
1971 -00
1971 -00
1971 -00
1971 -00
1971 -00
1971 -00
1971 -00
1971 -00
1971 -00
1971 -00
1971 -00
1971 -00
1971 -00
1971 -00
1971 -00
1971 -00
1971 -00
1971 -00
1971 -00
1971 -00
1971 -00
1971 -00
1971 -00
1971 -00
1971 -00
1971 -00
1971 -00
1971 -00
1971 -00
1971 -00
1971 -00
1971 -00
1971 -00
1971 -00
1971 -00
1971 -00
1971 -00
1971 -00
1971 -00
1971 -00
1971 -00
1971 -00
1971 -00
1971 -00
1971 -00
1971 -00
1971 -00
1971 -00
1971 -00
1971 -00
1971 -00
1971 -00
1971 -00
1971 -00
1971 -00
1971 -00
1971 -00
1971 -00
1971 -00
1971 -00
1971 -00
1971 -00
1971 -00
1971 -00
1971 -00
1971 -00
1971 -00
1971 -00
1971 -00
1971 -00
1971 -00
1971 -00
1971 -00
1971 -00
1971 -00
1971 -00
1971 -00
1971 -00
1971 -00
1971 -00
1971 -00
1971 -00
1971 -00
1971 -00
1971 -00
1971 -00
1971 -00
1971 -00
1971 -00
1971 -00
1971 -00
1971 -00
1971 -00
1971 -00
1971 -00
1971 -00
1971 -00
1971 -00
1971 -00
1971 -00
1971 -00
1971 -00
1971 -00
1971 -00
1971 -00
1971 -00
1971 -00
1971 -00
1971 -00
1971 -00
1971 -00
1971 -00
1971 -00
1971 -00
1971 -00
1971 -00
1971 -00
1971 -00
1971 -00
1971 -00
1971 -00
1971 -00
1971 -00
1971 -00
1971 -00
1971 -00
1971 -00
1971 -00
1971 -00
1971 -00
1971 -00
1971 -00
1971 -00
1971 -00
1971 -00
1971 -00
1971 -00
1971 -00
1971 -00
1971 -00
1971 -00
1971 -00
1971 -00
1971 -00
1971 -00
1971 -00
1971 -00
1971 -00
1971 -00
1971 -00
1971 -00
1971 -00
1971 -00
1971 -00
1971 -00
1971 -00
1971 -00
1971 -00
1971 -00
1971 -00
1971 -00
1971 -00
1971 -00
1971 -00
1971 -00
1971 -00
1971 -00
1971 -00
1971 -00
1971 -00
1971 -00
1971 -00
1971 -00
1971 -00
1971 -00
1971 -00
1971 -00
1971 -00
1971 -00
1971 -00
1971 -00
1971 -00
1971 -00
1971 -00
1971 -00
1971 -00
1971 -00
1971 -00
1971 -00
1971 -00
1971 -00
1971 -00
1971 -00
1971 -00
1971 -00
1971 -00
1971 -00
1971 -00
1971 -00
197 BRICKSON STREET, STREE and and the state of the state | Marine | Marine | Marine | Marine | Marine | Marine | Marine | Marine | Marine | Marine | Marine | Marine | Marine | Marine | Marine | Marine | Marine | Marine | Marine | Marine | Marine | Marine | Marine | Marine | Marine | Marine | Marine | Marine | Marine | Marine | Marine | Marine | Marine | Marine | Marine | Marine | Marine | Marine | Marine | Marine | Marine | Marine | Marine | Marine | Marine | Marine | Marine | Marine | Marine | Marine | Marine | Marine | Marine | Marine | Marine | Marine | Marine | Marine | Marine | Marine | Marine | Marine | Marine | Marine | Marine | Marine | Marine | Marine | Marine | Marine | Marine | Marine | Marine | Marine | Marine | Marine | Marine | Marine | Marine | Marine | Marine | Marine | Marine | Marine | Marine | Marine | Marine | Marine | Marine | Marine | Marine | Marine | Marine | Marine | Marine | Marine | Marine | Marine | Marine | Marine | Marine | Marine | Marine | Marine | Marine | Marine | Marine | Marine | Marine | Marine | Marine | Marine | Marine | Marine | Marine | Marine | Marine | Marine | Marine | Marine | Marine | Marine | Marine | Marine | Marine | Marine | Marine | Marine | Marine | Marine | Marine | Marine | Marine | Marine | Marine | Marine | Marine | Marine | Marine | Marine | Marine | Marine | Marine | Marine | Marine | Marine | Marine | Marine | Marine | Marine | Marine | Marine | Marine | Marine | Marine | Marine | Marine | Marine | Marine | Marine | Marine | Marine | Marine | Marine | Marine | Marine | Marine | Marine | Marine | Marine | Marine | Marine | Marine | Marine | Marine | Marine | Marine | Marine | Marine | Marine | Marine | Marine | Marine | Marine | Marine | Marine | Marine | Marine | Marine | Marine | Marine | Marine | Marine | Marine | Marine | Marine | Marine | Marine | Marine | Marine | Marine | Marine | Marine | Marine | Marine | Marine | Marine | Marine | Marine | Marine | Marine | Marine | Marine | Marine | Marine | Marine | Marine | Marine | Marine | Marine | Marine | Marine | Marine | Marine | Marine | Marine | Marine | M は、「中央のでは、「中央のでは、中央のでは、日本のでは、「中央のでは、「中のでは、「 | Mailes | Proceed | Mailes | Process | Mailes | Process | Mailes | Process | Mailes | Process | Mailes | Process | Mailes | Process | Mailes | Process | Mailes | Process | Mailes | Process | Mailes | Process | Mailes | Process | Mailes | Process | Mailes | Process | Mailes | Process | Mailes | Process | Mailes | Process | Mailes | Process | Mailes | Process | Mailes | Process | Mailes | Process | Mailes | Process | Mailes | Process | Mailes | Process | Mailes | Process | Mailes | Process | Mailes | Process | Mailes | Process | Mailes | Process | Mailes | Process | Mailes | Process | Mailes | Process | Mailes | Process | Mailes | Process | Mailes | Process | Mailes | Process | Mailes | Process | Mailes | Process | Mailes | Process | Mailes | Mailes | Process | Mailes | Mailes | Mailes | Mailes | Mailes | Mailes | Mailes | Mailes | Mailes | Mailes | Mailes | Mailes | Mailes | Mailes | Mailes | Mailes | Mailes | Mailes | Mailes | Mailes | Mailes | Mailes | Mailes | Mailes | Mailes | Mailes | Mailes | Mailes | Mailes | Mailes | Mailes | Mailes | Mailes | Mailes | Mailes | Mailes | Mailes | Mailes | Mailes | Mailes | Mailes | Mailes | Mailes | Mailes | Mailes | Mailes | Mailes | Mailes | Mailes | Mailes | Mailes | Mailes | Mailes | Mailes | Mailes | Mailes | Mailes | Mailes | Mailes | Mailes | Mailes | Mailes | Mailes | Mailes | Mailes | Mailes | Mailes | Mailes | Mailes | Mailes | Mailes | Mailes | Mailes | Mailes | Mailes | Mailes | Mailes | Mailes | Mailes | Mailes | Mailes | Mailes | Mailes | Mailes | Mailes | Mailes | Mailes | Mailes | Mailes | Mailes | Mailes | Mailes | Mailes | Mailes | Mailes | Mailes | Mailes | Mailes | Mailes | Mailes | Mailes | Mailes | Mailes | Mailes | Mailes | Mailes | Mailes | Mailes | Mailes | Mailes | Mailes | Mailes | Mailes | Mailes | Mailes | Mailes | Mailes | Mailes | Mailes | Mailes | Mailes | Mailes | Mailes | Mailes | Mailes | Mailes | Mailes | Mailes | Mailes | Mailes | Mailes | Mailes | Mailes | Mailes | Mailes | Mailes | Mailes | Mailes | Mailes | Mailes | Mailes | Mailes 

Ţŧ





excitement in the telecoms arena. triggered by Vodafone's intervention in the bid are the favourable inflation tussle for AirTouch of the outlook and declining inter-US, was the catalyst for est rates, which will be down another powerful showing to 5 per cent by the year by London's equity market end. yesterday.

The buying frenzy in telecoms spilled over into other sectors, but was especially evident in banks and insur-

Oil price

forecasts

revised

COMPANIES REPORT

nd Martin Brice

By Peter John, Joel Kibazo

Hopes for the beleaguered oil

industry came under attack

as analysts prepared to

ratchet down their forecasts

broker to come out with a

revised 1999 forecast, cut its

current year estimate by \$3

to \$11 a barrel. That is well

below the consensus esti-

many brokers are quietly

moving their numbers down

Those reduced forecasts

production companies partic-

Commerzbank analyst Jer

emy Elden relterated his

"sell" stance on the sub-

sector and highlighted

Lasmo as being vulnerable

don't have a viable busi-

nesses and with these kind

of oil prices Lasmo is close

to being extinguished," he

said. Lasmo was the worst

performer in the FTSE 250

index as the shares fell 8 to

graded BP and Shell Trans-

port from "hold" to "sell". BP, which is still benefiting

Commerzbank has down-

"In an \$11 world the R&Ps

among the UK explorers.

to around \$12 a barrel.

ularly hard.

Commerzbank, the first

for underlying oil prices.

observers, said: "There is ing into recession, it is slowing but not dramatically. The bull points for London

At the height of the market's buying spree the FTSE index, looked like challenging its all-time closing high of 6,179.0. But it faltered

Shell fell 7 to 356%p.

Consolidation hopes con-

tinued to boost telecom

issues helping to drive the

market sharply ahead. Orange rose to a new

peak, the shares closing 80%

or 10.53 per cent up at 908%p, while Colt Telecom

advanced 87% to £11.24%. BT

surged above the £10 mark,

the shares finishing the ses-

sion 23 up at £10.11% and Cable & Wireless improved

Turnover in cable televi-

sion and telecoms group

Telewest Communications

69 to 848p.

strategist at Parihas and one point short of registering a of the market's most bullish 200-point gain. At the close, the Pootsie

Bid fever drives Footsie to brink of new high

more upside to come; the had chalked up a 190.6 giobal economy is not mov- advance to 6,148.8, only 30.2 away from its previous closing peak. That represented the third biggest points rise ever in a single session, although it was well down the list of percentage gains. The Footsie's record intraday high is 6,183.7.

Dealers said the momentum behind the surge came 100, London's benchmark from Wall Street overnight, where the Dow Jones Industrial Average raced up to LucasVarity added to the within around 70 points of feelgood factor running right when the index was only a its record high in response through the stock market.

ner Kleinwort Benson exe-

cuted a bought deal and pla-

large agency crosses in Telewest, which totalled 93m

shares or around 4.3 per cent

of the company's issued capi-

tal. They were executed at

150p a share by stockbroker

Cazenove. Vivendi, formerly

known as Générale des

Eaux, was thought to have

been the seller. Yesterday,

unchanged at 205p.

255.4 2509.2 3551.3 2574.9 2359.9 2.89 2.94 2.93 2.90 I.M 22.17 22.84 22.89 23.12 21.71 22.05 22.74 22.80 23.00 21.42

74.400 64,648 959.0 75,158

1162.5

1475.1

Telewest shares closed

Arbitrage trading was said

to be behind the decline in

Jan 4 Dec 30 Dec 23 Yr ago

Last month there were two

cing in the stock.

from the re-weighting soared to 261m, making it by

prompted by the Amoco far the most actively traded marger, rose 13 to 929p, but stock of the day, after Dresd-

to the news about AirTouch. fled during the afternoon as the Dow was catapulted to a of domestic interest rates. record intra-day high, clambering through the 9,400 level in the process.

Wall Street's momentum carried through into Asian another reduction in UK markets early yesterday, driving Hong Kong and Tokyo sharply higher and providing European markets with the perfect take-off. Confirmation of recent

rumours of a possible merger or alliance involving

Vodafone Group, which this

week joined the race for US

group AirTouch by propos-

shares declined 31% to £10.89

in a busy session that

brought turnover of 43m.

AirTouch had aiready

entered merger talks with

British Aerospace badly

underperformed the market

as it fell a penny to 518p

after a report in the French

press that Daimler-Benz

Aerospace chairman Jurgen

Schrempo had said merge

of the two companies would

be delayed for several

remained outstanding, How-

ever, the stock remains well

above its 52-week low of

300p, buoyed by optimism

that it will be involved in

the consolidation of the

European defence industry.

There was gloomy news from British Airways on

prospects for all-important

premium traffic. It said high-

raiue traffic feli 3.6 per cent.

although its non-premium

traffic grew 12.9 per cent. It

also said forward bookings

nointed to "a continuing

softness, particularly in pre-

mium traffic". This was put-

US group Bell Atlantic.

optimism over the direction Although there are doubts

England's monetary policy committee will sanction rates at noon today on com- cent to 2,110.3. plation of its regular two-day meeting many expect rates to come down to 5 per cent by the end of the year. The last three mpc meetings have been followed by rate cuts totalling 125 basis

More evidence of the strength of the market's

company said.

Glatto rises

Although the shares

FTSE 100's gain of 3.2 per cent. The stock closed up

11% at 411%p, well below

achieved before fears of a

general economic slowdown

took their toll over the

Pharmaceuticals stocks

attracted more attention as

one US broker raised its

price target for Glacco Well-

come. The stock is already

regarded as the most expen-

pany in the world by one

analyst, but Morgan Stanley

yesterday said the shares

should be bought up to \$28

compared to its previous tar-

get of £21.50. Glazo rose 48 to

Glazo target even though it

is in talks with Astra of Swe-

den, lifted 40 to £28.14. And

SmithKline Beecham added

12% at 899%n.

London's strength intensially lifted by continuing formances of the second and third-line indices. The FTSE 250 jumped 74.2 or 1.5 per cent to 4,941.4. That index over whether the Bank of remains, however, a long way from its previous record close of 5,966.6. The FTSE SmallCap leapt 20.3 or 1 per

> A hig bought deal in Telewest, the cable company, executed by Dresdner Kleinwort Benson, boosted market turnover, which reached 1.5bn shares. DKB bought 253m Telewest shares from Cox Communications and quickly placed them in

National gained 90 to £13.58,

selped by an upgrade from Lehman Brothers. The broker raised its recomme tions on Royal & Sun Alliance, which rose 31% to 548%p; on CGU, which gained 50% to 979%p; and on um Life & Provincial, which

An upbest trading statenned 48% to 562%p, after

sales in the 21 weeks to Christmas were 10 per cent higher than the year before, with a 13.5 per cent increase partly offset by a 2.5 per cent decline in its Next Directory estalogue service.

However, it was far from ents to reduce holdings.

Abbot, which on Tuesday said it was in talks with Norwegian oil services company ProSafe, lost all but a penny of the advance it achieved after the announcement. of the deal presented an arbiinvolved selling Abbot. which lost 12% to 180p, and

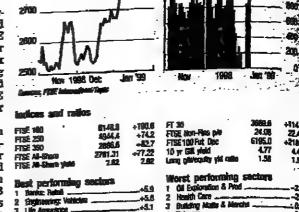
Bank of Scotland 45 to 737%p and Lloyds TSB 34% to 910%p.

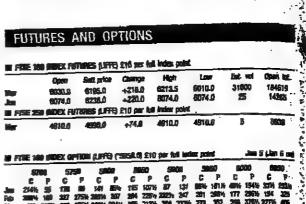
ment from fashion retailer Next helped the shares move sharply ahead on a strong day in the market. The stock better-than-expected sales figures for the Christmas trading period.

good news for all sector constituents, and electrical goods retailer Dixons fell 40% to 797% p. the worst persive pharmaceutical comformer in the FTSE 100, after a couple of brokers urged cli-

Dreedner Kleinwort Benson believes the recent excitement over the group's new internet connection service has been overdone. Deutsche Morgan Grenfell was also said to be negative on both Dixons, which reports interim figures next week, and Kingfisher up 20% to 684½p.

Small oil services group





| <b>Aint</b>   | (H &                       |                      | \$77 447 |                     | 8171: SIEN     |                     | <b>65</b> | 5900      |              | 2    |
|---------------|----------------------------|----------------------|----------|---------------------|----------------|---------------------|-----------|-----------|--------------|------|
| Carb<br>Off S | 1,672 Puis 4<br>1980 STYLE | ,666<br>FTSE 100 (   | NOEK OPT | OH (LITTE) :        | £19 per 158    | leater point        |           | Jan I     | i (Jan it mg |      |
| _             |                            | 4776                 | 5695     | F 150               | 6825           | 63275               | 86        | <b>10</b> | 8875         |      |
| State 1       | 371 1\$1<br>487 257%       | 277h, 175%           | 165 194  | <b>734</b> 713      | <b>200</b> 200 | 2171 239            | 18877     | aı        |              |      |
| See           |                            | 400% 407<br>400% 407 |          | 100 453<br>1708 575 |                | 490 457<br>BESY 618 |           |           | 424 047      | 4 17 |

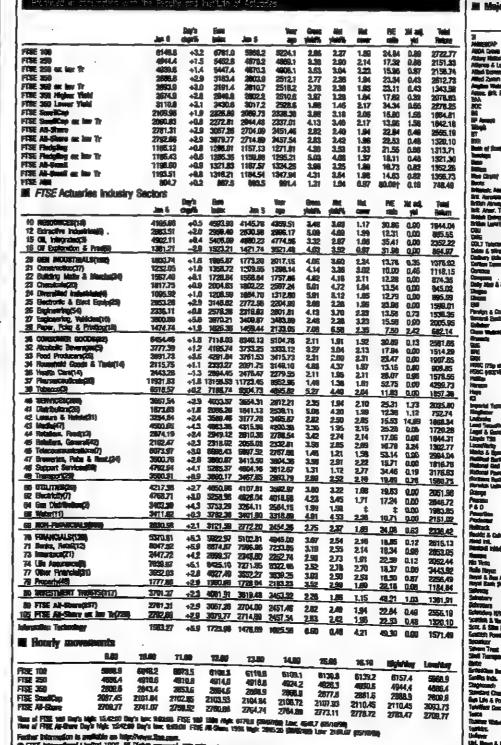
|       |                              | 337%<br>6 408%<br>800% | 1784 1<br>1984 9<br>407<br>508 | 65 194<br>44, 274 | がい      | 213<br>28314<br>483<br>575 | 347<br>347 | 233<br>215 | 217%<br>294<br>490<br>855% | 255<br>341%<br>497<br>618 | 264 | 391<br>381 | 温が | 2006<br>2006<br>201 |  |
|-------|------------------------------|------------------------|--------------------------------|-------------------|---------|----------------------------|------------|------------|----------------------------|---------------------------|-----|------------|----|---------------------|--|
| Calls | AJSR Pols (<br>g didnoi augi | Mar . (                |                                | , codet e         | des. Pi | and an                     | diam       | et 800     | based                      | ar #                      |     | 4 104      |    |                     |  |

| LO             | NDO          | ON F                 | RECE        | NT   | ISSUES:                                   | EQUIT                | IES |             |      |      |          |
|----------------|--------------|----------------------|-------------|------|---|----------------------|-----|-------------|------|------|----------|
| lates<br>price | 셛            | Mit.<br>cap<br>(Cm.) | 19<br>Hilgh | ME/3 | Stack                                     | Close<br>prior<br>ii | 44  | Met<br>div. | (D). |      | NE<br>NK |
| -              | F.F.         | 15.0                 | 100         |      | AND VICT                                  | 160<br>81 %          |     | -           | -    | -    | -        |
| i              | F.P.<br>Gall | 26.7                 | 55h<br>130  |      | Jistory Janii District<br>UFS O'years in: | 119                  | +1% | JH1265      | _    | 10,0 | -        |
| ŧ              | FP.          | 3.98                 | \$176       |      | Do Cap                                    | 11716                | 48  | -           | -    | -    | -        |
| - 6            | FP.          | 5.86<br>6.16         | 117%        |      | (Colorini<br>Colorina Anneis El           |                      |     | _           | -    |      | 26.0     |
| -23            | NK.          | _                    | 285         | 298  | Pleased Object                            | 36                   |     | -           | _    |      | 20.6     |
| -              | 98.<br>88.   | 463                  | 32<br>14%   |      | Rost Active<br>Rea Appete (ille '48)      | 3026                 | 411 | _           | -    |      | SFF      |
| _              | FF.          | 37.3                 | 129         | 18   | Markey B                                  | - 11                 |     | _           | -    | -    | _        |
| 1              | EP.          | 4.82                 | 99          |      | †National State (Miles<br>†Do Case Per    | 5<br>106             |     | -           | -    | -    | -,       |
| 7              | AX.<br>EE.   | 2.10<br>0.02         | 195<br>190  |      | Place of the Paris                        | 97                   |     | 15          | 0.5  | 21   | 78.1     |
| 109            | F.F.         | -                    | 100         | 22   | REVAN (I                                  | 96                   |     | Gas.        | -    | -    | =        |
| -              | F.F.         | 150                  | 160         |      | Singertand Alle Victor                    | 109                  |     | -           | 47   | -    | -        |

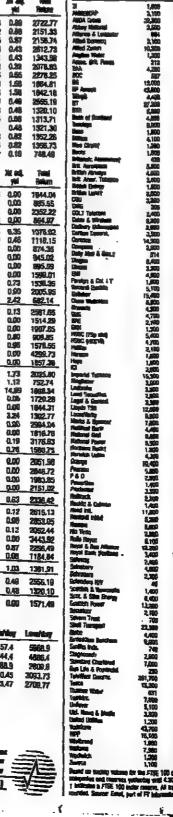
| FTS        | SE Q | OLD  | MI          | NES |                         | Brane the    | Total<br>opism | 82<br>Hilgh | wek  |     |
|------------|------|------|-------------|-----|-------------------------|--------------|----------------|-------------|------|-----|
| FTS        | SE Q | OLD  | MI          | NES |                         |              |                |             |      |     |
| <b>1</b>   | SE G | 010  | MI          | NES |                         |              |                |             |      |     |
|            |      |      |             |     |                         |              |                |             |      |     |
|            |      |      |             |     |                         |              |                |             |      |     |
|            |      |      |             |     |                         |              |                |             |      |     |
|            |      |      |             |     |                         |              |                |             |      | - 7 |
|            |      |      |             |     |                         |              |                |             |      |     |
|            |      |      |             |     |                         |              |                |             |      |     |
|            | -    |      | ,,,,,,      |     |                         |              |                |             |      | r   |
| T Allerage |      |      |             |     | oles. * Introduction, f | a o en súcio | - 7 E C        | -           | -    |     |
| -          | FP.  |      | - <b>97</b> |     | Do, Espailey Units      | 96%          | =<br>          |             | -    |     |
| -          | FP.  | 28.5 | 107%        |     | Do Zuro Fair Pri        | 107          | -              | -           | =    | -   |
| -          | F.P. | 11.1 | - 4         |     | Do Casp                 | 74           |                | -           | -    | ~   |
| -          | FP.  | 34.7 | 90          |     | Tabres & 17 isc         | 39           | 16.6           | -           | 11.5 | -   |
| _          | BK.  |      | 15          | -   | 1                       | 139          | -              | -           | -    | _   |
|            | 11.  | 251  | - 5         | 75  |                         | 109<br>774   | 58.0           | 27          | 77   | 21  |
| <u></u>    | F.P. | 150  | 144         |     | Should Mill Will        |              |                |             |      |     |



# European Community Newspaper. Subscribe for a year and receive 4 weeks extra free. More senior business people in Europe read the FT than ever before. They value the depth and breadth of its coverage of European news and depend on the FT's unrivalled tracking of the effects of the euro. Tel: +44 171 873 4200 Fax: +44 171 873 3428 or email: FTE.subs@FT.com FINANCIAL TIMES







CSIGN CONTROL

|          | FINA   | NCIAL  | TIME   | S   |
|----------|--|--|--|---|
| Sec. No. | Highs &  | Lows   |  |   |
|          | EUROPE (   | EMU) Price   | 0 Sec  | Private<br>Reserve  |
|          | Assets 31.26 Assets 40.46 Asset   | 3 04 6 1 3 1 3 1 4 1 5 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1   | 982 12 1652<br>9757 36 132 1852<br>9757 36 132 24<br>9757 36 132 24<br>9757 24 13 24<br>9757 24 16<br>9757 24 16<br>9757 25 16<br>9757 25 16<br>9757 25 16<br>9757 25 16<br>9757 25 16<br>9757 25 16<br>9757 25 16<br>9757 25 16<br>9757 25 16<br>9757 25 16<br>9757 25 16<br>9757 25 16<br>9757 25 16<br>9757 25 16<br>9757 25 16<br>9757 25 16<br>9757 25 16<br>9757 25 16<br>9757 25 16<br>9757 25 16<br>9757 25 16<br>9757 25 16<br>9757 25 16<br>9757 25 16<br>9757 25 16<br>9757 25 16<br>9757 25 16<br>9757 25 16<br>9757 25 16<br>9757 25 16<br>9757 25 16<br>9757 25 16<br>9757 25 16<br>9757 25 16<br>9757 25 16<br>9757 25 16<br>9757 25 16<br>9757 25 16<br>9757 25 16<br>9757 25 16<br>9757 25 16<br>9757 25 16<br>9757 25 16<br>9757 25 16<br>9757 25 16<br>9757 25 16<br>9757 25 16<br>9757 25 16<br>9757 25 16<br>9757 25 16<br>9757 25 16<br>9757 25 16<br>9757 25 16<br>9757 25 16<br>9757 25 16<br>9757 25 16<br>9757 25 16<br>9757 25 16<br>9757 25 16<br>9757 25 16<br>9757 25 16<br>9757 25 16<br>9757 25 16<br>9757 25 16<br>9757 25 16<br>9757 25 16<br>9757 25 16<br>9757 25 16<br>9757 25 16<br>9757 25 16<br>9757 25 16<br>9757 25 16<br>9757 25 16<br>9757 25 16<br>9757 25 16<br>9757 25 16<br>9757 25 16<br>9757 25 16<br>9757 25 16<br>9757 25 16<br>9757 25 16<br>9757 25 16<br>9757 25 16<br>9757 25 16<br>9757 25 16<br>9757 25 16<br>9757 25 16<br>9757 25 16<br>9757 25 16<br>9757 25 16<br>9757 25 16<br>9757 25 16<br>9757 25 16<br>9757 25 16<br>9757 25 16<br>9757 25 16<br>9757 25 16<br>9757 25 16<br>9757 25 16<br>9757 25 16<br>9757 25 16<br>9757 25 16<br>9757 25 16<br>9757 25 16<br>9757 25 16<br>9757 25 16<br>9757 25 16<br>9757 25 16<br>9757 25 16<br>9757 25 16<br>9757 25 16<br>9757 25 16<br>9757 25 16<br>9757 25 16<br>9757 25 16<br>9757 25 16<br>9757 25 16<br>9757 25 16<br>9757 25 16<br>9757 25 16<br>9757 25 16<br>9757 25 16<br>9757 25 16<br>9757 25 16<br>9757 25 16<br>9757 25 16<br>9757 25 16<br>9757 25 16<br>9757 25 16<br>9757 25 16<br>9757 25 16<br>9757 25 16<br>9757 25 16<br>9757 25 16<br>9757 25 16<br>9757 25 16<br>9757 25 16<br>9757 25 16<br>9757 25 16<br>9757 25 16<br>9757 25 16<br>9757 25 16<br>9757 25 16<br>9757 25 16<br>9757 25 16<br>9757 25 16<br>9757 25 16<br>9757 25 16<br>9757 25 16<br>9757 25 16<br>9757 25 16<br>9757 25 16<br>9757 25 16<br>9757 25 16<br>9757 25 16<br>9757 25 16<br>9757 25 16<br>9757 25 16<br>9757 25 16<br>9757 25 16<br>9757 25 16<br>9757 25 16 | PRODUCT STATE OF THE PROPERTY |
| -        | SECONDATIX P   | 238 14<br>kan 6) 1 € = 40.1  | 404 1,9 17.3<br>33990 Fcs.   | Uniba<br>Unitsi<br>Usinga<br>Valgo  |
|          | Actumes 375<br>Atmed 78.50<br>Actual 56.50<br>Actual 37  | +25 401.00 25<br>+1,70 90,20 4<br>-50 171.00 4<br>- 30,42 25   | 74 05 21 7<br>124 09 41 7  | Viend   |
|          | Bell 1,339<br>1001P1 1,550<br>1001B 1,550<br>1001B 1,550<br>1001B 1,550<br>1001B 1,550<br>1001B 1,550<br>1,500<br>1,500<br>1,500<br>1,500<br>1,500<br>1,500<br>1,500<br>1,500<br>1,500<br>1,500<br>1,500<br>1,500<br>1,500<br>1,500<br>1,500<br>1,500<br>1,500<br>1,500<br>1,500<br>1,500<br>1,500<br>1,500<br>1,500<br>1,500<br>1,500<br>1,500<br>1,500<br>1,500<br>1,500<br>1,500<br>1,500<br>1,500<br>1,500<br>1,500<br>1,500<br>1,500<br>1,500<br>1,500<br>1,500<br>1,500<br>1,500<br>1,500<br>1,500<br>1,500<br>1,500<br>1,500<br>1,500<br>1,500<br>1,500<br>1,500<br>1,500<br>1,500<br>1,500<br>1,500<br>1,500<br>1,500<br>1,500<br>1,500<br>1,500<br>1,500<br>1,500<br>1,500<br>1,500<br>1,500<br>1,500<br>1,500<br>1,500<br>1,500<br>1,500<br>1,500<br>1,500<br>1,500<br>1,500<br>1,500<br>1,500<br>1,500<br>1,500<br>1,500<br>1,500<br>1,500<br>1,500<br>1,500<br>1,500<br>1,500<br>1,500<br>1,500<br>1,500<br>1,500<br>1,500<br>1,500<br>1,500<br>1,500<br>1,500<br>1,500<br>1,500<br>1,500<br>1,500<br>1,500<br>1,500<br>1,500<br>1,500<br>1,500<br>1,500<br>1,500<br>1,500<br>1,500<br>1,500<br>1,500<br>1,500<br>1,500<br>1,500<br>1,500<br>1,500<br>1,500<br>1,500<br>1,500<br>1,500<br>1,500<br>1,500<br>1,500<br>1,500<br>1,500<br>1,500<br>1,500<br>1,500<br>1,500<br>1,500<br>1,500<br>1,500<br>1,500<br>1,500<br>1,500<br>1,500<br>1,500<br>1,500<br>1,500<br>1,500<br>1,500<br>1,500<br>1,500<br>1,500<br>1,500<br>1,500<br>1,500<br>1,500<br>1,500<br>1,500<br>1,500<br>1,500<br>1,500<br>1,500<br>1,500<br>1,500<br>1,500<br>1,500<br>1,500<br>1,500<br>1,500<br>1,500<br>1,500<br>1,500<br>1,500<br>1,500<br>1,500<br>1,500<br>1,500<br>1,500<br>1,500<br>1,500<br>1,500<br>1,500<br>1,500<br>1,500<br>1,500<br>1,500<br>1,500<br>1,500<br>1,500<br>1,500<br>1,500<br>1,500<br>1,500<br>1,500<br>1,500<br>1,500<br>1,500<br>1,500<br>1,500<br>1,500<br>1,500<br>1,500<br>1,500<br>1,500<br>1,500<br>1,500<br>1,500<br>1,500<br>1,500<br>1,500<br>1,500<br>1,500<br>1,500<br>1,500<br>1,500<br>1,500<br>1,500<br>1,500<br>1,500<br>1,500<br>1,500<br>1,500<br>1,500<br>1,500<br>1,500<br>1,500<br>1,500<br>1,500<br>1,500<br>1,500<br>1,500<br>1,500<br>1,500<br>1,500<br>1,500<br>1,500<br>1,500<br>1,500<br>1,500<br>1,500<br>1,500<br>1,500<br>1,500<br>1,500<br>1,500<br>1,500<br>1,500<br>1,500<br>1,500<br>1,500<br>1,500<br>1,500<br>1,500<br>1,500<br>1,500<br>1,500<br>1,500<br>1,500<br>1,500<br>1,500<br>1,500<br>1,500<br>1,500<br>1,500<br>1,500<br>1,500<br>1,500<br>1,500<br>1,500<br>1,500<br>1,500<br>1,500<br>1,500<br>1,500<br>1,500<br>1,500<br>1,500<br>1,500<br>1,500<br>1,500<br>1,500<br>1,500<br>1,500<br>1,500<br>1,500<br>1,500<br>1,500<br>1,500<br>1,500<br>1,500<br>1, | - 39.42 32<br>-4 1/4009 U<br>-5 2369 U<br>-1,929 U<br>+1,55 372 W ft<br>-17,5 111 th st<br>-1,96 75,55 34<br>+50 65,55 4<br>+10 745 46 | 230 05 -   | AGING<br>ANA<br>COPPS<br>Collect<br>Adiabat<br>Adiabat<br>Adiabat<br>Adiabat<br>Adiabat<br>Adiabat<br>Adiabat<br>Adiabat<br>Adiabat<br>Adiabat<br>Adiabat<br>Adiabat<br>Adiabat<br>Adiabat<br>Adiabat<br>Adiabat<br>Adiabat<br>Adiabat<br>Adiabat<br>Adiabat<br>Adiabat<br>Adiabat<br>Adiabat<br>Adiabat<br>Adiabat<br>Adiabat<br>Adiabat<br>Adiabat<br>Adiabat<br>Adiabat<br>Adiabat<br>Adiabat<br>Adiabat<br>Adiabat<br>Adiabat<br>Adiabat<br>Adiabat<br>Adiabat<br>Adiabat<br>Adiabat<br>Adiabat<br>Adiabat<br>Adiabat<br>Adiabat<br>Adiabat<br>Adiabat<br>Adiabat<br>Adiabat<br>Adiabat<br>Adiabat<br>Adiabat<br>Adiabat<br>Adiabat<br>Adiabat<br>Adiabat<br>Adiabat<br>Adiabat<br>Adiabat<br>Adiabat<br>Adiabat<br>Adiabat<br>Adiabat<br>Adiabat<br>Adiabat<br>Adiabat<br>Adiabat<br>Adiabat<br>Adiabat<br>Adiabat<br>Adiabat<br>Adiabat<br>Adiabat<br>Adiabat<br>Adiabat<br>Adiabat<br>Adiabat<br>Adiabat<br>Adiabat<br>Adiabat<br>Adiabat<br>Adiabat<br>Adiabat<br>Adiabat<br>Adiabat<br>Adiabat<br>Adiabat<br>Adiabat<br>Adiabat<br>Adiabat<br>Adiabat<br>Adiabat<br>Adiabat<br>Adiabat<br>Adiabat<br>Adiabat<br>Adiabat<br>Adiabat<br>Adiabat<br>Adiabat<br>Adiabat<br>Adiabat<br>Adiabat<br>Adiabat<br>Adiabat<br>Adiabat<br>Adiabat<br>Adiabat<br>Adiabat<br>Adiabat<br>Adiabat<br>Adiabat<br>Adiabat<br>Adiabat<br>Adiabat<br>Adiabat<br>Adiabat<br>Adiabat<br>Adiabat<br>Adiabat<br>Adiabat<br>Adiabat<br>Adiabat<br>Adiabat<br>Adiabat<br>Adiabat<br>Adiabat<br>Adiabat<br>Adiabat<br>Adiabat<br>Adiabat<br>Adiabat<br>Adiabat<br>Adiabat<br>Adiabat<br>Adiabat<br>Adiabat<br>Adiabat<br>Adiabat<br>Adiabat<br>Adiabat<br>Adiabat<br>Adiabat<br>Adiabat<br>Adiabat<br>Adiabat<br>Adiabat<br>Adiabat<br>Adiabat<br>Adiabat<br>Adiabat<br>Adiabat<br>Adiabat<br>Adiabat<br>Adiabat<br>Adiabat<br>Adiabat<br>Adiabat<br>Adiabat<br>Adiabat<br>Adiabat<br>Adiabat<br>Adiabat<br>Adiabat<br>Adiabat<br>Adiabat<br>Adiabat<br>Adiabat<br>Adiabat<br>Adiabat<br>Adia<br>Adia<br>Adia<br>Adia<br>Adia<br>Adiabat<br>Adia<br>Adia<br>Adia<br>Adia<br>Adia<br>Adia<br>Adia<br>Adia  |
| 1        | 80.50<br>145.30  | +2 319.00 18<br>+.05 84.30 40<br>-1.60 160 90  | 36 12 35   | BACAP   |

The FT/SEP Actuaries World Indices are conted by FTSE to Faculty of Actuaries and the institute of Actuaries. NATIONAL AND RESIONAL MARGETS US Dollar Index

Local Corrency Index US Deller lodes Local Currency Index 199.38
193.16
263.39
246.00
215.59
464.94
269.53
242.17
234.25
341.26
123.57
1794.42
415.97
75.97
75.97
324.38
75.46
215.11
263.00
261.72
480.41
327.93
382.75
382.77
382.43
182.47
387.93
382.77
382.43
182.47
387.93 Pounds Sanding | Teal | Euro | Euro | Euromoty | Euromoty | Euro | Euro | Euromoty | Euromoty | Euromoty | Euromoty | Euromoty | Euromoty | Euromoty | Euromoty | Euromoty | Euromoty | Euromoty | Euromoty | Euromoty | Euromoty | Euromoty | Euromoty | Euromoty | Euromoty | Euromoty | Euromoty | Euromoty | Euromoty | Euromoty | Euromoty | Euromoty | Euromoty | Euromoty | Euromoty | Euromoty | Euromoty | Euromoty | Euromoty | Euromoty | Euromoty | Euromoty | Euromoty | Euromoty | Euromoty | Euromoty | Euromoty | Euromoty | Euromoty | Euromoty | Euromoty | Euromoty | Euromoty | Euromoty | Euromoty | Euromoty | Euromoty | Euromoty | Euromoty | Euromoty | Euromoty | Euromoty | Euromoty | Euromoty | Euromoty | Euromoty | Euromoty | Euromoty | Euromoty | Euromoty | Euromoty | Euromoty | Euromoty | Euromoty | Euromoty | Euromoty | Euromoty | Euromoty | Euromoty | Euromoty | Euromoty | Euromoty | Euromoty | Euromoty | Euromoty | Euromoty | Euromoty | Euromoty | Euromoty | Euromoty | Euromoty | Euromoty | Euromoty | Euromoty | Euromoty | Euromoty | Euromoty | Euromoty | Euromoty | Euromoty | Euromoty | Euromoty | Euromoty | Euromoty | Euromoty | Euromoty | Euromoty | Euromoty | Euromoty | Euromoty | Euromoty | Euromoty | Euromoty | Euromoty | Euromoty | Euromoty | Euromoty | Euromoty | Euromoty | Euromoty | Euromoty | Euromoty | Euromoty | Euromoty | Euromoty | Euromoty | Euromoty | Euromoty | Euromoty | Euromoty | Euromoty | Euromoty | Euromoty | Euromoty | Euromoty | Euromoty | Euromoty | Euromoty | Euromoty | Euromoty | Euromoty | Euromoty | Euromoty | Euromoty | Euromoty | Euromoty | Euromoty | Euromoty | Euromoty | Euromoty | Euromoty | Euromoty | Euromoty | Euromoty | Euromoty | Euromoty | Euromoty | Euromoty | Euromoty | Euromoty | Euromoty | Euromoty | Euromoty | Euromoty | Euromoty | Euromoty | Euromoty | Euromoty | Euromoty | Euromoty | Euromoty | Euromoty | Euromoty | Euromoty | Euromoty | Euromoty | Euromoty | Euromoty | Euromoty | Euromoty | Euromoty | Euromoty | Euromoty | Euromoty | Euromoty | Euromoty | Euromoty | Euromot 198.08 1692.73 177.31 129.84 202.56 502.94 652.87 308.06 25.89 304.17 254.05 368.06 25.89 1069.15 473.17 60.24 234.80 92.80 92.17 207.00 184.19 485.51 522.72 24.86 372.72 24.86 372.72 24.86 372.72 24.86 372.72 24.86 372.72 24.86 372.72 24.86 372.72 24.86 372.72 27.03 101.84 103.32 212.47 440.81 52 week
| Line
| 183,86 | 186,45 | 250,39 | 102,65 | 159,94 | 420,12 | 225,24 | 218,59 | 757,15 | 391,98 | 429,13 | 429,13 | 429,13 | 429,13 | 429,13 | 429,13 | 429,13 | 429,13 | 429,13 | 429,13 | 429,13 | 429,13 | 429,13 | 429,13 | 429,13 | 429,13 | 429,13 | 429,13 | 429,13 | 429,13 | 429,13 | 429,13 | 429,13 | 429,13 | 429,13 | 429,13 | 429,13 | 429,13 | 429,13 | 429,13 | 429,13 | 429,13 | 429,13 | 429,13 | 429,13 | 429,13 | 429,13 | 429,13 | 429,13 | 429,13 | 429,13 | 429,13 | 429,13 | 429,13 | 429,13 | 429,13 | 429,13 | 429,13 | 429,13 | 429,13 | 429,13 | 429,13 | 429,13 | 429,13 | 429,13 | 429,13 | 429,13 | 429,13 | 429,13 | 429,13 | 429,13 | 429,13 | 429,13 | 429,13 | 429,13 | 429,13 | 429,13 | 429,13 | 429,13 | 429,13 | 429,13 | 429,13 | 429,13 | 429,13 | 429,13 | 429,13 | 429,13 | 429,13 | 429,13 | 429,13 | 429,13 | 429,13 | 429,13 | 429,13 | 429,13 | 429,13 | 429,13 | 429,13 | 429,13 | 429,13 | 429,13 | 429,13 | 429,13 | 429,13 | 429,13 | 429,13 | 429,13 | 429,13 | 429,13 | 429,13 | 429,13 | 429,13 | 429,13 | 429,13 | 429,13 | 429,13 | 429,13 | 429,13 | 429,13 | 429,13 | 429,13 | 429,13 | 429,13 | 429,13 | 429,13 | 429,13 | 429,13 | 429,13 | 429,13 | 429,13 | 429,13 | 429,13 | 429,13 | 429,13 | 429,13 | 429,13 | 429,13 | 429,13 | 429,13 | 429,13 | 429,13 | 429,13 | 429,13 | 429,13 | 429,13 | 429,13 | 429,13 | 429,13 | 429,13 | 429,13 | 429,13 | 429,13 | 429,13 | 429,13 | 429,13 | 429,13 | 429,13 | 429,13 | 429,13 | 429,13 | 429,13 | 429,13 | 429,13 | 429,13 | 429,13 | 429,13 | 429,13 | 429,13 | 429,13 | 429,13 | 429,13 | 429,13 | 429,13 | 429,13 | 429,13 | 429,13 | 429,13 | 429,13 | 429,13 | 429,13 | 429,13 | 429,13 | 429,13 | 429,13 | 429,13 | 429,13 | 429,13 | 429,13 | 429,13 | 429,13 | 429,13 | 429,13 | 429,13 | 429,13 | 429,13 | 429,13 | 429,13 | 429,13 | 429,13 | 429,13 | 429,13 | 429,13 | 429,13 | 429,13 | 429,13 | 429,13 | 429,13 | 429,13 | 429,13 | 429,13 | 429,13 | 429,13 | 429,13 | 429,13 | 429,13 | 429,13 | 429,13 | 429,13 | 429,13 | 429,13 | 429,13 | 429,13 | 429,13 | 429,13 | 429,13 | 429, 181.52 168.25 400.23 115.62 480.99 185.62 480.95 552.12 337.26 46.57 521.95 172.51 87.86 496.42 55.21 214.60 83.20 246.62 188.70 186.79 389.70 475.95 392.34 22.78 341.78 202.56 186.86 437.49 131.84 202.85 508.45 344.53 376.12 300.97 565.44 191.09 549.15 592.29 225.05 91.29 225.05 377.20 506.05 492.37 237.20 506.05 492.37 111.42 510.23 377.20 511.42 510.23 377.20 511.42 511 143.01 132.56 315.32 89.74 146.24 963.11 494.99 245.76 265.73 213.59 411.22 135.91 771.90 391.11 43.49 169.07 771.90 391.11 49.45 132.93 135.83 307.44 309.10 17.94 268.81 307.43 307.45 309.16 17.94 268.81 307.45 309.16 17.94 268.81 307.45 309.16 17.94 268.81 307.45 309.16 30 02 08 22 07 22 13 12 01 45 31 08 -07 -17 -09 49 12 26 24 21 22 15 72 10 13 202.71 187.89 .446.95 132.87 207.29 .514.69 .616.56 .348.35 .294.43 .376.66 .303.26 562.87 192.64 97.82 1094.12 554.37 61.65 239.65 92.92 275.41 211.84 188.50 435.19 535.00 ...381.01 ...381.01 ...512.68 1.3 1.1 0.0 1.1 -1.2 0.5 1.3 1.1 1.2 0.9 0.5 0.9 1.3 1.0 0.9 1.5 -0.4 0.8 1.0 1.1 1.4 0.5 1.0 0.7 1.0 1.0 407.72 337.16 100.69 463.57 94.81 195.66 440.61 322.50 93.15 163.49 194.71 274.04 375.37 

Rockwell

1,750 31,800 85,666 4,100 25,400 8,965 2,820 7,910 15,860 60,150 60,150 10,250

Alematica Assassia Assassia Assassia Bergana Bergana Bergana Bergana Bergana Bergana Bergana Bergana Bergana Bergana Bergana Hadas Hadasa Hadas

08 20 A 1/2 20

31.18 9.57 8.19 21.75 15.54 8.85 145.50 145.

Amerika A Amerika A Amerika Amerika Amerika A

Address: 7,100 — 10,200 1,000 4.8 25.7
Article 8 270 — 200 17,504 4,700 1.3 — 2
Speller 20,000 + 1,000

Rigorial Regions of the Control of t

PACIFIC

JAPAN (July 6 / York) なるともなんが、ない、さましかも、また

Typeself (1997)

Typeself (1997)

Typeself (1997)

Typeself (1997)

Typeself (1997)

Typeself (1997)

Typeself (1997)

Typeself (1997)

Typeself (1997)

Typeself (1997)

Typeself (1997)

Typeself (1997)

Typeself (1997)

Typeself (1997)

Typeself (1997)

Typeself (1997)

Typeself (1997)

Typeself (1997)

Typeself (1997)

Typeself (1997)

Typeself (1997)

Typeself (1997)

Typeself (1997)

Typeself (1997)

Typeself (1997)

Typeself (1997)

Typeself (1997)

Typeself (1997)

Typeself (1997)

Typeself (1997)

Typeself (1997)

Typeself (1997)

Typeself (1997)

Typeself (1997)

Typeself (1997)

Typeself (1997)

Typeself (1997)

Typeself (1997)

Typeself (1997)

Typeself (1997)

Typeself (1997)

Typeself (1997)

Typeself (1997)

Typeself (1997)

Typeself (1997)

Typeself (1997)

Typeself (1997)

Typeself (1997)

Typeself (1997)

Typeself (1997)

Typeself (1997)

Typeself (1997)

Typeself (1997)

Typeself (1997)

Typeself (1997)

Typeself (1997)

Typeself (1997)

Typeself (1997)

Typeself (1997)

Typeself (1997)

Typeself (1997)

Typeself (1997)

Typeself (1997)

Typeself (1997)

Typeself (1997)

Typeself (1997)

Typeself (1997)

Typeself (1997)

Typeself (1997)

Typeself (1997)

Typeself (1997)

Typeself (1997)

Typeself (1997)

Typeself (1997)

Typeself (1997)

Typeself (1997)

Typeself (1997)

Typeself (1997)

Typeself (1997)

Typeself (1997)

Typeself (1997)

Typeself (1997)

Typeself (1997)

Typeself (1997)

Typeself (1997)

Typeself (1997)

Typeself (1997)

Typeself (1997)

Typeself (1997)

Typeself (1997)

Typeself (1997)

Typeself (1997)

Typeself (1997)

Typeself (1997)

Typeself (1997)

Typeself (1997)

Typeself (1997)

Typeself (1997)

Typeself (1997)

Typeself (1997)

Typeself (1997)

Typeself (1997)

Typeself (1997)

Typeself (1997)

Typeself (1997)

Typeself (1997)

Typeself (1997)

Typeself (1997)

Typeself (1997)

Typeself (1997)

Typeself (1997)

Typeself (1997)

Typeself (1997)

Typeself (1997)

Typeself (1997)

Typeself (1997)

Typeself (1997)

Typeself (1997)

Typeself (1997)

Typeself (1997)

Typese

Tacific Telephone Towns Emerging markets: investable indices

AMP APPREAM AP

100 +1 124 90 2.1 49.90 +2.10 100 97.90 2.4 57 +1 86.62 54 -1 19 -25.70 18.70 5.8 42.80 +70 91.83 38.70 2.3 47.90 +70 91.83 38.70 2.3 47.90 +20 91.84 92.2 70.50 +25.0 12.70 58.50 -1 270 + 50 410 145 - 250 8659 + 1090 189 28 - 205 450 - 720 0.50 - -23 + 150 28 4.40 - -23 + 150 28 120 - -430 - 450 28 120 - -5 + 12 1 10 28 144 14 2150 + 257 2550 140 141 2150 + 257 2550 140 14 51

Ating A Appenda Bendo Carnet Carnet Grand Grand Grand Grand Grand Bendo Santa Kinga 6/SS | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 |

### Company | 1.75 | 1.70 | 1.75 | 1.70 | 1.75 | 1.70 | 1.75 | 1.70 | 1.75 | 1.70 | 1.75 | 1.70 | 1.75 | 1.70 | 1.75 | 1.70 | 1.75 | 1.70 | 1.75 | 1.70 | 1.75 | 1.70 | 1.75 | 1.70 | 1.75 | 1.70 | 1.75 | 1.70 | 1.75 | 1.70 | 1.75 | 1.70 | 1.75 | 1.70 | 1.75 | 1.70 | 1.75 | 1.75 | 1.75 | 1.75 | 1.75 | 1.75 | 1.75 | 1.75 | 1.75 | 1.75 | 1.75 | 1.75 | 1.75 | 1.75 | 1.75 | 1.75 | 1.75 | 1.75 | 1.75 | 1.75 | 1.75 | 1.75 | 1.75 | 1.75 | 1.75 | 1.75 | 1.75 | 1.75 | 1.75 | 1.75 | 1.75 | 1.75 | 1.75 | 1.75 | 1.75 | 1.75 | 1.75 | 1.75 | 1.75 | 1.75 | 1.75 | 1.75 | 1.75 | 1.75 | 1.75 | 1.75 | 1.75 | 1.75 | 1.75 | 1.75 | 1.75 | 1.75 | 1.75 | 1.75 | 1.75 | 1.75 | 1.75 | 1.75 | 1.75 | 1.75 | 1.75 | 1.75 | 1.75 | 1.75 | 1.75 | 1.75 | 1.75 | 1.75 | 1.75 | 1.75 | 1.75 | 1.75 | 1.75 | 1.75 | 1.75 | 1.75 | 1.75 | 1.75 | 1.75 | 1.75 | 1.75 | 1.75 | 1.75 | 1.75 | 1.75 | 1.75 | 1.75 | 1.75 | 1.75 | 1.75 | 1.75 | 1.75 | 1.75 | 1.75 | 1.75 | 1.75 | 1.75 | 1.75 | 1.75 | 1.75 | 1.75 | 1.75 | 1.75 | 1.75 | 1.75 | 1.75 | 1.75 | 1.75 | 1.75 | 1.75 | 1.75 | 1.75 | 1.75 | 1.75 | 1.75 | 1.75 | 1.75 | 1.75 | 1.75 | 1.75 | 1.75 | 1.75 | 1.75 | 1.75 | 1.75 | 1.75 | 1.75 | 1.75 | 1.75 | 1.75 | 1.75 | 1.75 | 1.75 | 1.75 | 1.75 | 1.75 | 1.75 | 1.75 | 1.75 | 1.75 | 1.75 | 1.75 | 1.75 | 1.75 | 1.75 | 1.75 | 1.75 | 1.75 | 1.75 | 1.75 | 1.75 | 1.75 | 1.75 | 1.75 | 1.75 | 1.75 | 1.75 | 1.75 | 1.75 | 1.75 | 1.75 | 1.75 | 1.75 | 1.75 | 1.75 | 1.75 | 1.75 | 1.75 | 1.75 | 1.75 | 1.75 | 1.75 | 1.75 | 1.75 | 1.75 | 1.75 | 1.75 | 1.75 | 1.75 | 1.75 | 1.75 | 1.75 | 1.75 | 1.75 | 1.75 | 1.75 | 1.75 | 1.75 | 1.75 | 1.75 | 1.75 | 1.75 | 1.75 | 1.75 | 1.75 | 1.75 | 1.75 | 1.75 | 1.75 | 1.75 | 1.75 | 1.75 | 1.75 | 1.75 | 1.75 | 1.75 | 1.75 | 1.75 | 1.75 | 1.75 | 1.75 | 1.75 | 1.75 | 1.75 | 1.75 | 1.75 | 1.75 | 1.75 | 1.75 | 1.75 | 1.75 | 1.75 | 1.75 | 1.75 | 1.75 | 1.75 | 1.75 | 1.75 | 1.75 | 1.75 | 1.75 | 1.75 | 1.75 | 1.75 | 1.75 | 1.75 | 1.75 | 1.75 | 1.75 | 1.75 | 1.75 | 1.75 | 1.75 | 1.75 | 1.75 | 1.75 | 1.75 | 1.75 | 1.75 | 1.75 | 1.75 | 1.75 | 1.75 | 1.75 | 1.

-35 2.76 -35 2.76 +825 5.55 +50 3.55 +50 1.75 -25 1.450 +30 5.975 +25 1.550

| 1017 | 1017 | 1017 | 1017 | 1017 | 1017 | 1017 | 1017 | 1017 | 1017 | 1017 | 1017 | 1017 | 1017 | 1017 | 1017 | 1017 | 1017 | 1017 | 1017 | 1017 | 1017 | 1017 | 1017 | 1017 | 1017 | 1017 | 1017 | 1017 | 1017 | 1017 | 1017 | 1017 | 1017 | 1017 | 1017 | 1017 | 1017 | 1017 | 1017 | 1017 | 1017 | 1017 | 1017 | 1017 | 1017 | 1017 | 1017 | 1017 | 1017 | 1017 | 1017 | 1017 | 1017 | 1017 | 1017 | 1017 | 1017 | 1017 | 1017 | 1017 | 1017 | 1017 | 1017 | 1017 | 1017 | 1017 | 1017 | 1017 | 1017 | 1017 | 1017 | 1017 | 1017 | 1017 | 1017 | 1017 | 1017 | 1017 | 1017 | 1017 | 1017 | 1017 | 1017 | 1017 | 1017 | 1017 | 1017 | 1017 | 1017 | 1017 | 1017 | 1017 | 1017 | 1017 | 1017 | 1017 | 1017 | 1017 | 1017 | 1017 | 1017 | 1017 | 1017 | 1017 | 1017 | 1017 | 1017 | 1017 | 1017 | 1017 | 1017 | 1017 | 1017 | 1017 | 1017 | 1017 | 1017 | 1017 | 1017 | 1017 | 1017 | 1017 | 1017 | 1017 | 1017 | 1017 | 1017 | 1017 | 1017 | 1017 | 1017 | 1017 | 1017 | 1017 | 1017 | 1017 | 1017 | 1017 | 1017 | 1017 | 1017 | 1017 | 1017 | 1017 | 1017 | 1017 | 1017 | 1017 | 1017 | 1017 | 1017 | 1017 | 1017 | 1017 | 1017 | 1017 | 1017 | 1017 | 1017 | 1017 | 1017 | 1017 | 1017 | 1017 | 1017 | 1017 | 1017 | 1017 | 1017 | 1017 | 1017 | 1017 | 1017 | 1017 | 1017 | 1017 | 1017 | 1017 | 1017 | 1017 | 1017 | 1017 | 1017 | 1017 | 1017 | 1017 | 1017 | 1017 | 1017 | 1017 | 1017 | 1017 | 1017 | 1017 | 1017 | 1017 | 1017 | 1017 | 1017 | 1017 | 1017 | 1017 | 1017 | 1017 | 1017 | 1017 | 1017 | 1017 | 1017 | 1017 | 1017 | 1017 | 1017 | 1017 | 1017 | 1017 | 1017 | 1017 | 1017 | 1017 | 1017 | 1017 | 1017 | 1017 | 1017 | 1017 | 1017 | 1017 | 1017 | 1017 | 1017 | 1017 | 1017 | 1017 | 1017 | 1017 | 1017 | 1017 | 1017 | 1017 | 1017 | 1017 | 1017 | 1017 | 1017 | 1017 | 1017 | 1017 | 1017 | 1017 | 1017 | 1017 | 1017 | 1017 | 1017 | 1017 | 1017 | 1017 | 1017 | 1017 | 1017 | 1017 | 1017 | 1017 | 1017 | 1017 | 1017 | 1017 | 1017 | 1017 | 1017 | 1017 | 1017 | 1017 | 1017 | 1017 | 1017 | 1017 | 1017 | 1017 | 1017 | 1017 | 1017 | 1017 | 1017 | 1017 | 1017 | 1017 | 1017 | 1017 | 1017

| State | State | State | State | State | State | State | State | State | State | State | State | State | State | State | State | State | State | State | State | State | State | State | State | State | State | State | State | State | State | State | State | State | State | State | State | State | State | State | State | State | State | State | State | State | State | State | State | State | State | State | State | State | State | State | State | State | State | State | State | State | State | State | State | State | State | State | State | State | State | State | State | State | State | State | State | State | State | State | State | State | State | State | State | State | State | State | State | State | State | State | State | State | State | State | State | State | State | State | State | State | State | State | State | State | State | State | State | State | State | State | State | State | State | State | State | State | State | State | State | State | State | State | State | State | State | State | State | State | State | State | State | State | State | State | State | State | State | State | State | State | State | State | State | State | State | State | State | State | State | State | State | State | State | State | State | State | State | State | State | State | State | State | State | State | State | State | State | State | State | State | State | State | State | State | State | State | State | State | State | State | State | State | State | State | State | State | State | State | State | State | State | State | State | State | State | State | State | State | State | State | State | State | State | State | State | State | State | State | State | State | State | State | State | State | State | State | State | State | State | State | State | State | State | State | State | State | State | State | State | State | State | State | State | State | State | State | State | State | State | State | State | State | State | State | State | State | State | State | State | State | State | State | State | State | Stat The control of the co

The state of the s 经元明经过,我是是是一种人的是是最高的的的。 小子之上,一个人的一个人的一个人的 のでは、日本のではのでは、日本のでは、日本のでは、日本のでは、日本のでは、日本のでは、日本のでは、日本のでは、日本のでは、日本のでは、日本のでは、日本のでは、日本のでは、日本のでは、日本のでは、日本の

95. Selliem 19. Se C. II. A. SEC. 19 A. S

See 18 and 18 an

-1-

+255 +175 +176 +272 466 488 +170 +577

THE MAN CONTRACT OF THE PROPERTY OF THE PROPER

Cine

**西拉斯医家庭斯尼亚**克

THE PROPERTY OF THE PROPERTY O

\$254.21 \$294.65 294.57 208.57 208.57 \$1227.40 \$1592.95 \$1634.75 \$101.45 \$225.91 \$3293.75

(5-01-199)

CO

274 Account of the control of the co 

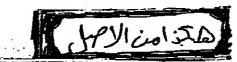
塘 古 母子子子 

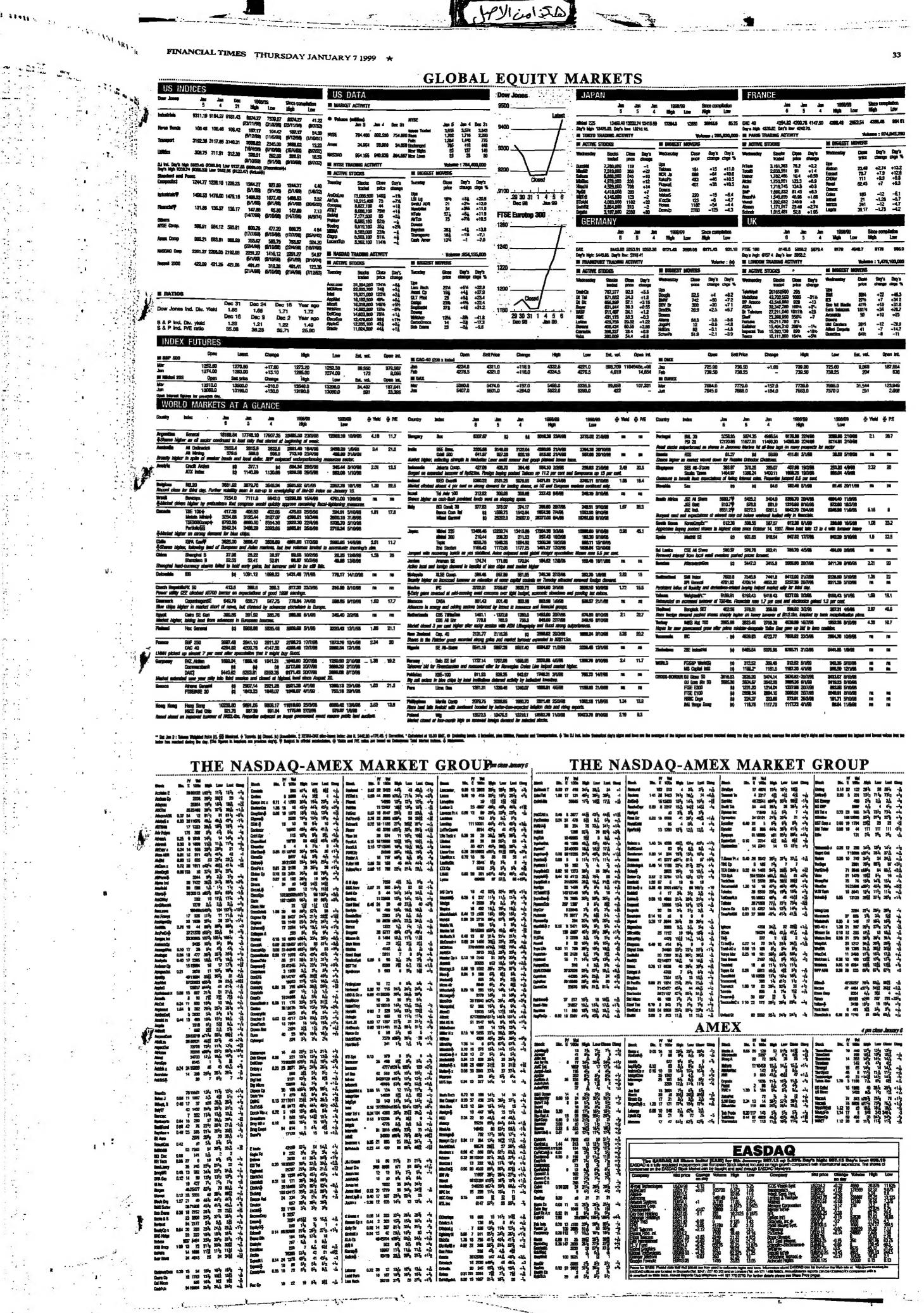
61 1/2 190,306
7 1/2 190,306
2 11 1/2 105 toriz
44 1/2 1900,005
44 1/2 1900,005
44 1/2 1900,005
44 1/2 1900,005
25 1/2 1/2 1/2
25 1/2 1/2
25 1/2 1/2
25 1/2 1/2
25 1/2 1/2
25 1/2
25 1/2
25 1/2
25 1/2
25 1/2
25 1/2
25 1/2
25 1/2
25 1/2
25 1/2
25 1/2
25 1/2
25 1/2
25 1/2
25 1/2
25 1/2
25 1/2
25 1/2
25 1/2
25 1/2
25 1/2
25 1/2
25 1/2
25 1/2
25 1/2
25 1/2
25 1/2
25 1/2
25 1/2
25 1/2
25 1/2
25 1/2
25 1/2
25 1/2
25 1/2
25 1/2
25 1/2
25 1/2
25 1/2
25 1/2
25 1/2
25 1/2
25 1/2
25 1/2
25 1/2
25 1/2
25 1/2
25 1/2
25 1/2
25 1/2
25 1/2
25 1/2
25 1/2
25 1/2
25 1/2
25 1/2
25 1/2
25 1/2
25 1/2
25 1/2
25 1/2
25 1/2
25 1/2
25 1/2
25 1/2
25 1/2
25 1/2
25 1/2
25 1/2
25 1/2
25 1/2
25 1/2
25 1/2
25 1/2
25 1/2
25 1/2
25 1/2
25 1/2
25 1/2
25 1/2
25 1/2
25 1/2
25 1/2
25 1/2
25 1/2
25 1/2
25 1/2
25 1/2
25 1/2
25 1/2
25 1/2
25 1/2
25 1/2
25 1/2
25 1/2
25 1/2
25 1/2
25 1/2
25 1/2
25 1/2
25 1/2
25 1/2
25 1/2
25 1/2
25 1/2
25 1/2
25 1/2
25 1/2
25 1/2
25 1/2
25 1/2
25 1/2
25 1/2
25 1/2
25 1/2
25 1/2
25 1/2
25 1/2
25 1/2
25 1/2
25 1/2
25 1/2
25 1/2
25 1/2
25 1/2
25 1/2
25 1/2
25 1/2
25 1/2
25 1/2
25 1/2
25 1/2
25 1/2
25 1/2
25 1/2
25 1/2
25 1/2
25 1/2
25 1/2
25 1/2
25 1/2
25 1/2
25 1/2
25 1/2
25 1/2
25 1/2
25 1/2
25 1/2
25 1/2
25 1/2
25 1/2
25 1/2
25 1/2
25 1/2
25 1/2
25 1/2
25 1/2
25 1/2
25 1/2
25 1/2
25 1/2
25 1/2
25 1/2
25 1/2
25 1/2
25 1/2
25 1/2
25 1/2
25 1/2
25 1/2
25 1/2
25 1/2
25 1/2
25 1/2
25 1/2
25 1/2
25 1/2
25 1/2
25 1/2
25 1/2
25 1/2
25 1/2
25 1/2
25 1/2
25 1/2
25 1/2
25 1/2
25 1/2
25 1/2
25 1/2
25 1/2
25 1/2
25 1/2
25 1/2
25 1/2
25 1/2
25 1/2
25 1/2
25 1/2
25 1/2
25 1/2
25 1/2
25 1/2
25 1/2
25 1/2
25 1/2
25 1/2
25 1/2
25 1/2
25 1/2
25 1/2
25 1/2
25 1/2
25 1/2
25 1/2
25 1/2
25 1/2
25 1/2
25 1/2
25 1/2
25 1/2
25 1/2
25 1/2
25 1/2
25 1/2
25 1/2
25 1/2
25 1/2
25 1/2
25 1/2
25 1/2
25 1/2
25 1/2
25 1/2
25 1/2
25 1/2
25 1/2
25 1/2
25 1/2
25 1/2
25 1/2
25 1/2
25 1/2
25 1/2
25 1/2
25 1/2
25 1/2
25 1/2
25 1/2
25 1/2
25 1/2
25 1/2
25 1/2
25 1/2
25 1/2
25 1/2
25 1/2
25 1/2
25 1/2
25 1/2
25 1/2
25 1/2
25 1/2
25 1/2
25 1/2
25 1/2
25 1/2
25 1/2 110,000 page 1 54/2 Style W C)
14/2 Sy half for
11/2 SY - W 24 mars in mar

0.18 6.5

THE VISDOO MES 

| The content is a second of the content is a se 





**WORLD OVERVIEW** 

The new year rally in world stock markets roared ahead again yesterday, with the US stock market leaping into record territory in early trading and European markets starting to approach their all-time highs, writes Philip Coggan,

The Dow Jones Industrial Average jumped 150 points in morning trading to pass the 9,400 level for the first time, while Frankfurt and

2.2 per cent respectively. The latter finished within 100 points of its closing record. Asia also joined in, with another excuse to motor reducing their cash levels many investors see little Hong Kong up 3.5 per cent, Singapore 5.7 per cent and Thailand 6.4 per cent.

January rallies are traditional in equity markets and this time round investors were given a burst of encouragement by a wave of takeover talk in US and European markets.

Tuesday, continued to the stock market. abound and good news on car sales gave the sector

Meanwhile the telecoms turmoil and putting the ket especially if the recent sector kept up its recent money into the blue-chip frenzy of takeover activity strength, after Vodafone's stocks that they expect to continues. proposed \$55bn offer for Air-Touch of the US, which was

announced on Tuesday. Another strong sector was financials, which should benefit from lower global

Briefly breaking above 4,300

for the first time since July,

sion for the CAC-40 index

with a gain of 94.04 or 2.2 per

Banks blazed away for the

cent at 4.294.82

closed up €13 at €200.

more than 21 per cent at one

stage before closing with a

gain of 19.3 per cent, up

Alcatel was also the sub-

ject of takeover talk after a

big US buyer was said to have entered the market.

The stock, long rumoured to

be at the centre of defence

industry restructuring,

jumped €8.90 to €123.30 after

Total ended a busy session

€1.40 better at €91 after a

a session high of €125.20.

PARIS ended an active ses-

Paris gained 3.4 per cent and auto sector, prevalent on have a geared relationship to this year - and remain the

There were signs that low bond yields and falling institutional investors were short term rates mean that built up during the autumn perform well in 1999. Euroof the launch of the euro.

James Montier, global pean stocks are receiving strategist at BT Alex Brown, particular attention because who remained cautious throughout 1998, has changed his view. "For the Although corporate earn-

or 26.7 per cent to €36.10.

Hoogovens, another leader

to be given a pasting by

investors last year, rose

€2.80 or 11.6 per cent to €27.

against an equivalent March

Royal Dutch was a rare

weak feature in spite of a

slightly better day for inter-

national oil prices. The

shares shed €1.50 at €40.40.

ZURICH maintained its

unward momentum, driven

higher by a persistent influx

of liquidity and derivatives-

related buying, and the SMI

index rose 123 or 1.6 per cent

Shares incorporated in the

Stoxx 50 index of leading

European shares were once

to close at 7,668.8

peak of €50.42.

main concern of the bears -

alternative to the stock mar-

dence in equities is based on the old adage 'Don't fight the

Fed'. The US authorities have shown themselves willing to act in the face of adversity - if necessary they will do so again. Our central case is for slightly slower growth and slightly higher inflation in the US this year than last and this backdrop ings and economic growth first time since October 1997, should be reasonable for

higher at SFr17,910. Novartis

Food and beverage group

Nestlé gained SFr51 to

SPv3.107, while telecoms

group Swisscom recovered

from recent profit-taking to

close SFr9 higher at SFr562.

Among industrials, Holderbank profited from

options-related buying, ris-

ing SFr96 or 5.8 per cent to

SFr1,735. Georg Fischer

ended SFr30 higher at SFr500 and Oerlikon-Buehrle rose

OSLO surged 2.7 per cent

in heavy trade, helped by a

keover bid for Finans-

banken by insurer Store-

takeover offer for Norwegian

Finanshanken surged

Storebrand, which plans to

NCL also surged, gaining

NKr4.70 to NKr22, on specu-

lation that it might be a

takeover target, although

SFr18 to SFr175.

Cruise Line.

at NKrl.6bn.

weaker at NKr62.

since November 4.

rose SFr26 to SFr2,881.

[12-18 month] time horizon. "This new found confi-

### **EMERGING MARKET FOCUS** Sickly Russia's bitter medicine

Long before freezing temperatures gripped the Russian capital this winter, the country's youthful stock market had been suffering from the most severe bout of ill-health since its formation in 1993.

From being the top performer around the world in 1997, it plummeted to an ignominious last position in 1998, driving away investors with an urgency that is unlikely to be reversed in

the next few months. The financial crisis last August - when the Russian government simultaneously devalued the rouble and iefaulted on its debt - did little more than deliver a final bruising blow to a nearinanimate corpse.

"There was a combination of global and Russian factors at work," said Margot Jacobs, a senior analyst with United Financial Group in Moscow. She highlighted the shock of the Asian market crash in the final quarter of 1997, which led to money being withdrawn from emerging markets around the world. The decline in commodity prices - notably for the oil on which the Rusbrand and rumours of a sian economy is strongly dependent - added pressure.

Then President Boris Yeltsin unexpectedly sacked his The total index climbed prime minister, Viktor Cher-26.08 to 1,011.27, the first nomyrdin, in March 1998. close above 1,000 points Each time an Asian wave subsided, a Russian-specific one came along and pre-NKr8.50 to NKr89.50 after vented people from putting money back into the coun-Storebrand said it planned to bid NKr40 per share for the try," says Ms Jacobs. Suspi-Oslo-based bank, valuing it cion over the health of the economy and the lack of issue shares to fund the good corporate governance within Russian companies takeover, ended NKr0.50

did not belp. The subsequent management of the economy has offered little prospect for optimism. Sergei Kirienko was himself sacked as prime

decisions in his efforts to hirlid a cross-party consen-

with few expenditure cuts, unrealistic assumptions of economic growth and tax collection, and an exchange rate for the coming year of just over Rbs21 to the dollar.

In reality, most economists anticipate a considerable further slide in the rouble a sharp jump in inflation and a decline of 5 per cent in gross domestic product during the year. If investors have turned

their backs on all emerging markets, they have stronger reasons for avoiding Russia. And the collapse of the domestic banking system has dried up the principle alternative forms of financing available to the coun-

300 May 1 - 21

ALCO SE

10 810 FES

AND STREET

4.50

T E

والمعاضفان

47.

海のカメリ

يعلك هووال

A 1/20

200 min

STATE OF THE PARTY

1 27 St. Com.

A 25 am

Sec. 15. 15. 15.

LUCK PART !

allege seite bei

120 24 27

العرارة كالمشيرة

try's companies. Peter Boone at Brunswick Warburg in Moscow suggests two scenarios for 1999. If the government muddles through with its budget, he argues, the stock market may rally in the build-up to a new package of aid brokered by the International Monetary Fund. If not, the market is likely to stagnate. So far, only the bolder

individuals and hedge funds have come back since August into a market characterised by low volumes

### Active trade sends Dow to record levels

**AMERICAS** 

US shares surged in active morning trade, sending the Dow Jones Industrial Average to record levels by midday, writes John Labate.

With the earnings reporting season two weeks away. investors bid up high-tech and blue-chip shares. prompting the broadest rally of the week, while smallcompany shares trailed the rest of the market, although they were closing the gap.

The Dow Jones Industrial Average was 151.39 higher by early afternoon, a gain of 1.6 per cent, at 9,462.58. The Standard & Poor's 500 index rose 20.53 to 1,265.31. The strongest run was in the high-tech sector, as merger negotiations involving Air-Touch and analyst upgrades for semiconductor shares, helped to send the Nasdaq composite 58.32 or 2.6 per cent higher at 2,309.59.

A series of raised ratings by analysts at BT Alex Brown for semiconductor equipment makers helped spark yesterday's bullish streak. Novellus Systems rose \$7 or more than II per cent to \$85% after the stock was raised to "strong buy" from "market perform".

Other computer-related sectors were higher as well. with Cisco Systems, the networking leader, up \$4% at \$101 i. But shares of Apple Computer slid \$1# to \$41% one day after the company announced new computer lines and said it would have a profitable quarter. The company was downgraded

including, in the specialty

retail sector, Best Buy. It gained \$4% to \$70% after reporting a 10.5 per cent rise in same-store sales for

Financial services company Citigroup led the Dow higher with a rise of 5 per cent to \$53 . But shares of Walt Disney fell \$1 to \$291 after Salomon Smith Barney trimmed its estimate of first-

quarter earnings. Tenneco, the US motor \$3512 after the company issued a profits warning for

9 per cent to \$26% after Merrill Lynch raised its rating to "buy" from "accumulate". Merrill also raised LTV to "near-term buy", helping to send shares up \$1% or 21 per cent to \$75.

strongly, although volumes were light and momentum ceiling. The 300 composite index was up 138.79 at 6.799.29 at noon.

some of the sharpest gains as the sector continued to find favour on a global basis. Northern Telecom, boosted by talk of a big contract. jumped C\$2.50 at C\$88.50. BCE, which has a stake in Northern Telecom, advanced

of Montreal rose C\$1.50 to

#### São Paulo gains amid hopes for fiscal reform

SAO PAULO continued to gain ground, boosted by the early record run on Wall Street and the improving political climate at home where hopes of fiscal reform remained high.
Blue chips led the upturn.

Banespa rose 5 per cent to R\$53 after a central bank of the US Wal-Mart group, director said the the government would attempt to fully privatise the bank by the end of April.

At midsession, the Bovespa index was up 135 at

MEXICO CITY reversed initial gains as talk of a tight budget and tax reforms sparked widespread selling. "It looks as if the budget is going to be broadly negative

one broker. 24.75 pesos.

At midsession, the IPC

for company profits," said

Leading retailer Cifra, part pesos, while beverage group Femsa lost 90 centavos at

index was off 31.51 at

third day running as talk of sector consolidation hardened. Société Générale rose €12 to €169 and Paribas €2.70 to €86.95. BNP gained €6.50 or 8.7 per cent to €81.45, although in its case trading volumes were far from

News that it had lifted its stake in Gucci to 5 per cent parked a wave of talk that LVMH was set to mount a parts company, fell \$14 to full-scale takeover for the luxury goods label. LVMH jumped to €205.70 in early trading, but eventually

its fourth quarter. Steel company USX gained

TORONTO pushed ahead

Telecoms again provided

C\$2.50 to C\$63.50. French analysts at which Banks were also sent Thierry Desmarest, the oil glant's chairman, provided higher. Royal Bank gained C\$1.70 to C\$79.70 and Bank broad reassurance about 1996 earnings C\$65.50 Canadian Imperial Barrick added 35 cents to

FRANKFURT extended its improved 80 cents to C\$39.55. strong new year rally into a third session and the market C\$29.95. Teck Corp gained 55 closed at its highest level since August 20 last year: The Xetra Dax index put "underperform" from "hold". C\$12.10. There was an 85 Retail stocks were strong, cents gain to C\$43.50 for on 179.49 or 3.4 per cent to 5,442.90 for a three-session rise of 8.7 per cent.

The motor sector remained in the spotlight, with investors apparently reluctant to accept denials of recent merger speculation at face value. BMW, which has denied link-up talks with Ford, climbed another €41 to €740. DaimlerChrysler was 1998 ..... 99

Paris shows taste for LVMH

though the transatlantic giant insisted that talks involving Nissan Diesel truck operations had not moved into areas of wider co-operation.

Volkswagen put on €2.76

Listed in Amsterdam, the to €78.76. Italian-based Gucci shot up Most of the big banks also had a good day. Dresdner FTSE Eurotop 300 Index rose €1.92 to €39.52, Comrose 30.11 or 2.45 per cent to 1,261.32. See Euro Prices page. merzbank was €1.54 higher at €28.54 and Deutsche Bank

put on €2.62 at €56.51. Telecoms remained in focus. Deutsche Telekom, still digesting Monday's 15.6 per cent surge, put on €1.93 €39.65. Mann €2.20 higher at €118.50 as tie-up rumours continued in spite of the German group's denial of an interest in Air-Touch of the US.

SAP recovered from the previous day's 15 per cent plunge, which had been provoked by disappointment over 1998 profits. The shares morning meeting with picked up €13 to €341. J.P. Morgan, which cut its earnings forecasts for the software group, said it was maintaining its "buy" recommendation on the share, because of SAP's post-

tive long-term fundamentals. AMSTERDAM powered ahead, rising 17.15 or 3 per index, with an 8.4 per cent advance at electronics giant Philips supplying much of the day's gain.

Philips, boosted by Wall Street's record run in early trading, advanced €4.95 to €64.25. The gains were equally dramatic elsewhere among techs. Baan jumped 90 cents to €10.40, while ASM Lithography, which touched the equivalent of

#### Firm rand boosts all share

SOUTH AFRICA

A firm rand and talk of an official cut for interest rates before the weekend sent financial stocks in Johannesburg ahead for a second day. 4.7 per cent to 5.680.7.

Financials rose 7.4 per cent to 9,078.9 as softening money markets hardened rate cut hopes. Stanbic rose 8.3 per cent to R19.50 in 2.5m shares traded. Industrials added 4.5 per cent to 6,551.2 and golds improved 3.6 per cent to 910.7.

### Foreign demand lifts Bangkok

**ASIA PACIFIC** 

Active foreign buying sent BANGKOK sharply higher for a third day and the composite index finished 24.05 or 6.4 per cent abcad at 402.56 an eight-month high. Analysts noted local and

finance, telecoms and property stocks. The increased overseas was attributed to a general shift by global investors into euro-denominated

were using the opportunity to increase their weightings Recent announcements by Thai banks that they would seek government assistance to raise their non-equity

tier-2 capital also boosted

をは、10mmので

TOKYO advanced slightly, posting its first gain of the year as the yen and the bond market stabilized, rerites

Alexandra Nusbaum. The Nikkei 225 posted a 1.8 per cent gain, climbing 235.72 to 13.468.46 after trading between 13,216 and 13,475. The more representative weighted Nikkei 300 rose 1.1 per cent or 2.24 to to Y417 and Bank of Tokyo- prime lending rates to 4.5

foreign demand for bank. assets from dollar assets. At the same time, investors

> 210.44. The Topix index of all first-section shares was up 10.43 to 1,058.76.

> Volume was light, with 295.63m shares traded. Momentum was up as 804 issues advanced, 313 declined and 173 were unchanged.

The yield on the 10-year government bond fell 9 basis points to 1.82 per cent as investors awaited the outcome of today's government bond auction. The banking sector, which has big bond portfolios, rose 2.3 per cent. Sakura Bank climbed Y10 to Y245, Fuji Bank gained Y19

The yen held firm at Y112 to the dollar, but exportoriented stocks continued Tuesday's fall. Sony lost Y30 to Y7,740 on comments by Masayoshi Morimoto, senior vice president, that if the yen stayed below Y115 to the dollar, "it's going to be a severe year." Bridgestone fell Y70 to Y2,223 and Fuji Film lost Y130 to Y3,850.

among carmakers pushed up the shares of Nissan, which rose Y14 to Y348, and Honda, which climbed Y120 to in Osaka, the OSE index

Speculation over alliances

rose 165 to 14,374. SINGAPORE soared 5.7 per cent to a nine-month high on fund-buying by managers reallocating portfolios at the start of the year.

The Straits Times index rose 78.73 to 1,464.97 in heavy volume of 525m shares as some investors took their cue from Wall Street's overnight rise. Property and bank stocks led the rally, with rises of 8.6 per cent and 5.2 per cent

respectively, on expectations

that local banks would cut

Local shares of DBS and OCBC ended 50 cents higher at \$\$8.30 and \$\$7.10 respectively. Property heavyweight City Development rose 60 cents to S\$7.40 on expectations that

the government might relax anti-speculation measures to boost the sector. JAKARTA surged for a second day, ending 4.5 per cent higher as investors bought blue chips, inspired by regional gains and a positive response to Indonesia's

The composite index closed up 18.38 at 427.08. Telkom, which accounts for 14 per cent of total market capitalisation, and cigarette group HM Sampoerna were the targets of heavy

Telkom rose Rp350 to Rp3,300, helped by talk of a possible domestic-call tariff rise this month and support from Wall Street gains overnight. Sampoerna rose Rp825 or 15 per cent to Rp6.325. Rises of more than 3 per

cent on the day were also

recorded in HONG KONG.

KUALA LUMPUR and

foreign buying.

Good Times. Bad Times.

> execution under the most challenging conditions. Our 4,000 global markets professionals, combined with our capital strength and award-winning research, make us the trading partner of choice for all your fixed income, derivatives and foreign exchange needs.

@1996 The Chase Marthattan Corp.



All Times.

Chase is committed to providing liquidity and impeccable